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PANDA MIDWAY POWER PARTNERS, L.P.

RECORDS AND REPORTING

PETITION FOR DETERMINATION OF NEED

FOR THE

PANDA MIDWAY POWER PROJECT

EXHIBITS

MARCH 6, 2000

DOCUMENT NUMBER-DATE

02951 MAR-68

FPSC-RECORDS/REPORTING

PANDA MIDWAY POWER PARTNERS, L.P.

**PETITION FOR DETERMINATION OF NEED
FOR THE
PANDA MIDWAY POWER PROJECT**

EXHIBITS

MARCH 6, 2000

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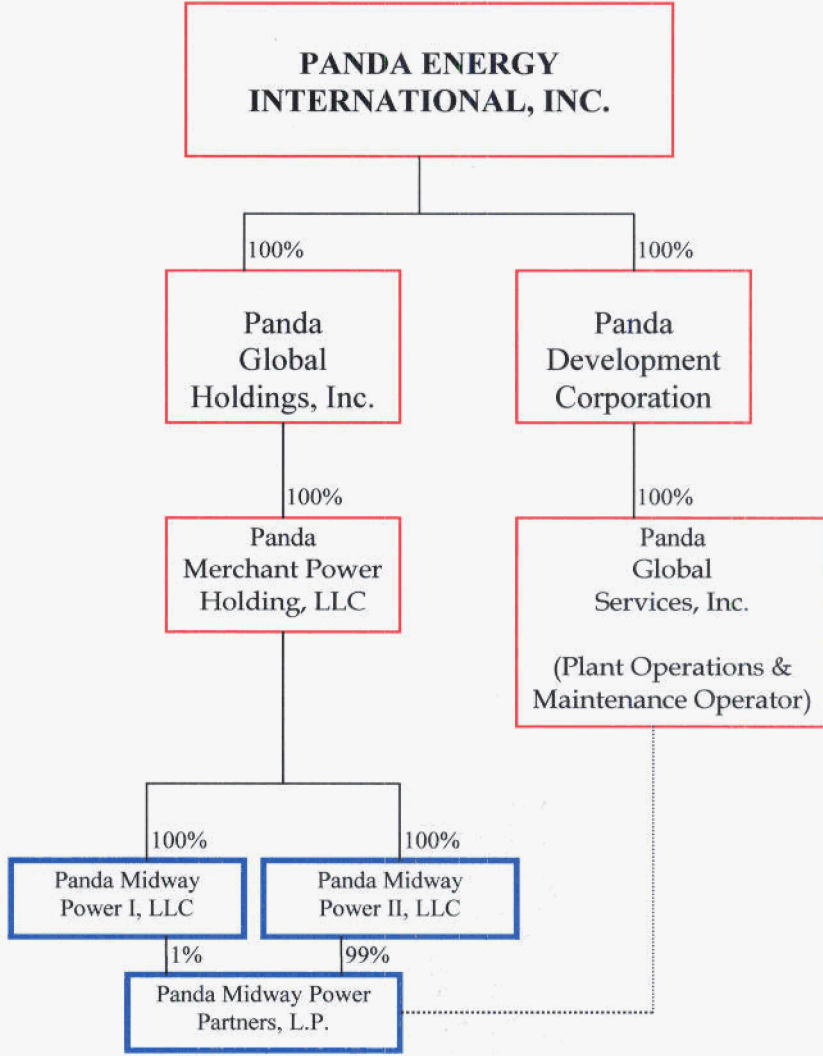
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All entities are Delaware incorporated, except for Panda Energy International, Inc., which is incorporated in Texas

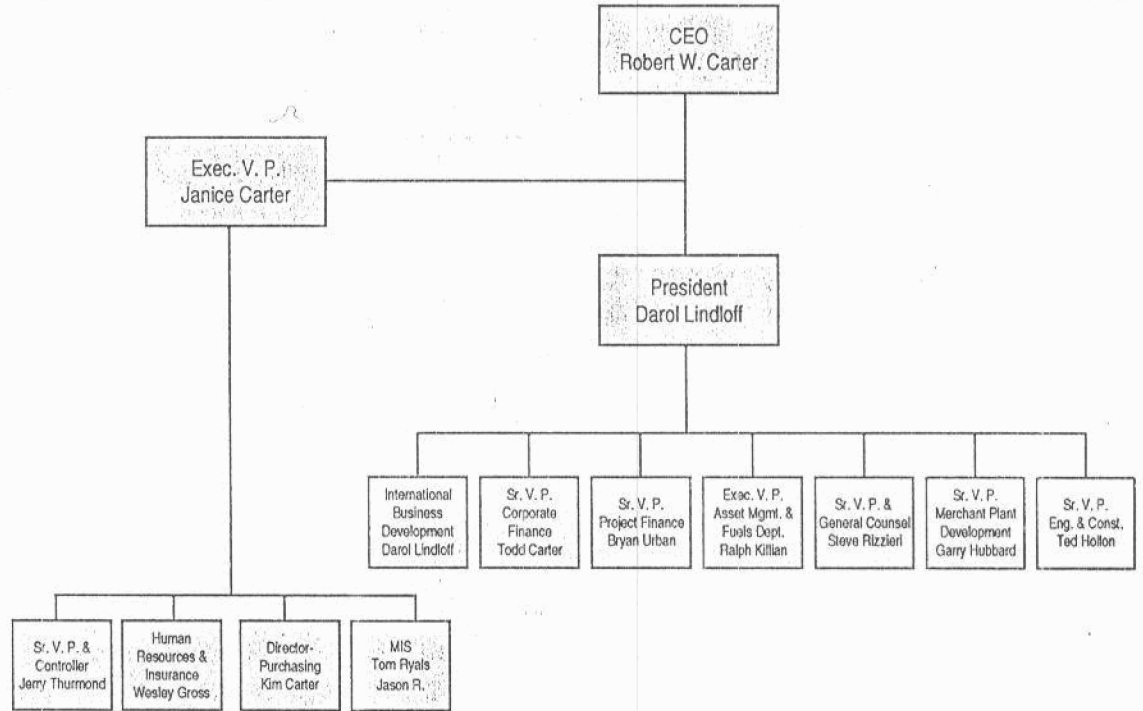
**PANDA MIDWAY
MERCHANT POWER PROJECT
STRUCTURE CHART**

APPLICANT-A



Additional corporate information

Panda Energy International, Inc.



Panda Energy International, Inc.

The Panda management team

Panda has assembled a team of professionals with expertise in business development, marketing, engineering, design, construction management, fuel supply, transportation and exploration, equipment procurement, utility practices, contract management, regulatory policy and procedures, project operation and maintenance, environmental matters, law, finance and accounting.

Name	Age	Position
Robert W. Carter	61	Director, chairman of the board and chief executive officer
Darol S. Lindloff	61	President
Janice Carter	58	Executive vice president, secretary and treasurer
Ralph T. Killian	52	Executive vice president, merchant power and fuels
Todd W. Carter	31	Senior vice president, corporate finance
Ted C. Hollon	49	Senior vice president, project development and construction
Garry N. Hubbard	43	Senior vice president, merchant power development
L. Stephen Rizzieri	43	Senior vice president and general counsel
Jerry D. Thurmond	47	Senior vice president and controller
Bryan Urban	35	Senior vice president, project finance

Robert W. Carter has been the chairman of the board and chief executive officer of the Company since January 1995. Mr. Carter has held similar chief executive positions with the Company and its subsidiaries since he founded Panda Energy Corporation in 1982. Mr. Carter also is president of Robert Carter Oil & Gas, Inc., which he founded in 1980. From 1978 to 1980, Mr. Carter was vice president of oil and gas lease sales for Reserve Energy Corporation. From 1974 to 1978, he served as a marketing consultant to Forward Products, Inc. Mr. Carter was executive vice president of Blasco Industries from 1970 to 1974. He served as a sales representative and sales manager for Olin Mathieson Chemical Corporation from 1965 to 1970. From 1960 to 1965, he was a sales representative for Inland, Mead Paper Company in Atlanta. Mr. Carter attended the University of Georgia.

Darol S. Lindloff was appointed president of the Company in February 1997. He served as senior vice president of project development from January 1996 to February 1997 and as vice president in the capacities of business development, technical director and project development from January 1993 to January 1996. Mr. Lindloff served as marketing manager for Panda Energy Corporation from October 1989 until January 1993. From December 1987 to October 1989, Mr. Lindloff established a regional office in Dallas for Southwest Research Institute and served as regional director. From January 1986 to December 1987, Mr. Lindloff worked on the development of cogeneration facilities for Hawker Siddley

Power Engineering, Inc. During 1984 and 1985, he worked in the development of cogeneration facilities for Central & South West Corporation's subsidiary, CSW Energy, Inc. Mr. Lindloff graduated from Southwestern University with a Bachelor of Science degree.

Janice Carter has been executive vice president, secretary, treasurer and director of Panda since January 1995 and has served in such capacities with Panda and its predecessor corporation since its inception in 1982. From 1975 to 1980, Mrs. Carter was office manager for Reserve Energy Corporation. From 1969 to 1972, Mrs. Carter worked for University Computing, and from 1962 to 1968 she directed administration for the engineering department of Otis Engineering, a division of Halliburton International. Mrs. Carter also serves as vice president and secretary/treasurer of Robert Carter Oil & Gas, Inc. Mrs. Carter attended Texas Tech University.

Ralph T. Killian has been executive vice president of the Company since March 1998, and senior vice president of the company and its predecessor corporation since May 1994. Mr. Killian has overall responsibility for asset management which includes operations & maintenance, fuel procurement and management and power marketing for Panda's existing facilities. Between November 1989 and April 1994, Mr. Killian served as vice president of natural resources. From 1988 to 1989, he was senior vice president of Texas Eastern Gas Pipeline Company. From 1969 to 1988, he held various natural gas marketing and engineering management positions with Amoco Corporation. Mr. Killian graduated from the University of Florida with a Bachelor of Science degree.

Todd W. Carter has served as the senior vice president of Corporate Finance since March 1999 where he has spearheaded and directed the company's corporate capital and restructuring programs. He has served Panda in a number of roles since joining the Company in 1990. Prior to his current position, he served as the Senior Vice President of International Business Development. In this role, he was instrumental in cultivating relationships with foreign governments and partners as well as negotiating Power Purchase Agreements and tariffs. From 1994 to 1998, Mr. Carter served as President of Pan-Oak Corporation, a wholly owned subsidiary of Panda. There, Mr. Carter oversaw oil and gas exploration, acquisition and prospect development. From 1990-1994, Mr. Carter performed a number of financial functions including cash flow and proforma analysis, land acquisition and marketing. Mr. Carter graduated from the University of Texas at Austin and earned a BA in Economics.

Ted C. Hollon has served as senior vice president of project development and construction of the Company since August 1997. Prior to his current position, he served as vice president of construction for the Company from March 1995 to August 1997, and as project manager for the Brandywine Facility from March 1993 to March 1995. Mr. Hollon previously held various positions with several prominent international engineering and construction companies such as Brown & Root International and CRS Sirrine. Mr. Hollon has over 25 years of international construction experience. He earned a Bachelor of Science degree from Texas A&M University.

Garry N. Hubbard has served as senior vice president since April 1999. Mr. Hubbard currently heads up Panda's merchant plant development group and is directly responsible for site selection, development, origination of power sales and subsequent closure of all Panda's merchant plants. Mr. Hubbard received a Bachelor of Science degree in Mechanical Engineering from Southampton University, England in 1978. Since then he has spent over 21 years in the energy industry with direct experience in the development, construction and operations of power generating facilities both internationally and within the domestic USA.

L. Stephen Rizzieri has served as senior vice president and general counsel since March 1998, as vice president and general counsel of the Company since February 1997 and as deputy general counsel of the Company since April 1996. From 1993 to 1997, he was assistant general counsel of Enserch Development Corporation. From 1985 to 1993, Mr. Rizzieri served in various capacities with Sunshine Mining Company and its affiliated companies, most recently as assistant general counsel and secretary. From 1981 to 1985, he served in various capacities with Woods Petroleum Corporation (which was purchased by Sunshine Mining Company in 1985) and its affiliates, most recently as president of Woods Securities Corporation. In 1980, Mr. Rizzieri served as deputy general counsel - enforcement division, Oklahoma Securities Commission. Mr. Rizzieri earned a Bachelor of Arts degree from the State University of New York at Geneseo and a Juris Doctor degree from the University of Oklahoma.

Jerry D. Thurmond has served as senior vice president and controller of the Company since March 1999, vice president and controller since March 18, 1998, and as controller since December 1997. Prior to joining Panda, Mr. Thurmond served as vice president of business development and finance for various companies owned and operated by Nelson Bunker Hunt. Mr. Hunt's companies were involved in international oil and gas exploration, refining, mining and telecommunications. From 1991 to 1996, Mr. Thurmond served in various capacities with companies owned by the Garvey family, including vice president general manager of Garvey Industries, Inc. From 1980 to 1991, Mr. Thurmond served as vice president in charge of finance, acquisitions and exploration for Burnett Oil Co., Inc. Mr. Thurmond began his career at Arthur Andersen in Dallas. Mr. Thurmond earned a Bachelor of Business Administration degree from the University of Texas at Arlington and is a certified public accountant.

Bryan J. Urban has served as senior vice president - project finance of the Company since March 31, 1999, and has been intimately involved in all the Company's financing transactions since joining Panda in February 1992. He served as vice president - project finance for Panda from March 1996 and as vice president and controller prior to that position. Before joining the Company, he spent over five years in the audit and financial consulting division of Arthur Andersen and Company. He is a certified public accountant and earned a Bachelor of Science degree from Indiana University.

James L. Adams, Jr. has been vice president - fuel for the Company since February 1997. Prior to his current position, Mr. Adams served as manager of fuel since 1994. From 1991 to 1994, Mr. Adams was a partner with Energy International Consulting Corporation, Houston,

Texas, specializing in gas marketing and transportation issues. From 1989 to 1991, Mr. Adams was vice president, gas supply for Nortech Energy working with Montana Power Company and Northridge Petroleum of Calgary to create Nortech Energy, a subsidiary providing gas marketing and a futures trading presence in the Gulf region for the two parent companies. From 1981 to 1989, Mr. Adams was vice president of Louisiana Energy and Development Corp. and its subsidiaries. Mr. Adams graduated with a Bachelor of Science degree from Louisiana Tech.

Steven W. Crain has served as vice president - merchant plant development since February 1997, and senior vice president - business development of the Company since October 14, 1998. Mr. Crain joined the Company in 1996, originally serving as director of business development for the Asian sub-continent. Prior to joining Panda, Mr. Crain served for over 18 years in various capacities for Eagleton Engineering Company, an engineering and construction management firm specializing in oil and gas processing and transportation, including as vice president for business development and as a member of the board of directors. He also served as the resident managing director of the Eagleton Saudi Arabia office for six years. From 1974 to 1977, Mr. Crain was employed as a design engineer for Stearns-Roger (now Raytheon) where he was involved in the design of coal-burning power plants. Mr. Crain earned a Bachelor of Science degree from Rice University and is a licensed professional engineer.

J. Taylor Cheek has served as director of projects for the Panda - Paris project since February 1998. Prior to his current position, he served as director of business development for Panda from June 1992 - October 1996 and from October 1997 - February 1998. His responsibilities covered project management for development projects in countries such as Mexico, Colombia, China, India, Nepal and Bangladesh. From October 1996 to October 1997, Mr. Cheek served as vice president of the Cash Store Ltd., a consumer finance company. His responsibilities there included site selection, coordination of construction, licensing, profitability and operation of the company's 28 offices, training and management of all company personnel. Mr. Cheek graduated from Millsaps College with a Bachelors Degree in Business Administration.

Stephen D. McAdams has served as project manager for the Guadalupe Power Project since June 1998. Mr. McAdams joined the company in 1996 and served as the project development manager for the 36 MW Upper Bhote Koshi Hydroelectric Project in Nepal. Prior to joining Panda, Mr. McAdams worked for six years in a variety of sales and marketing positions for a large manufacturer. From 1979 to 1990, Mr. McAdams served as an infantry officer in the United States Army where he obtained the rank of major. Mr. McAdams earned a Bachelor of Science degree in Civil Engineering from Virginia Polytechnic Institute and State.

Jeffrey W. Schroeter has served as vice president of Merchant Strategies for Panda since June 1999 and was previously Vice President Merchant Plant Development. He is responsible for market selection, regulatory, public affairs, and utility relations. From 1991 to 1997, Mr. Schroeter was with CSW Energy, Inc. where he worked as Director of Project Development. In that position, he managed the development and acquisition of independent power projects in North America and Europe,

including the first EWG merchant project portfolio in the Pacific Northwest. Other CSW activities included Due Diligence Manager, IPP Acquisition and Project Manager, Renewable Resource Development. Mr. Schroeter was with TXU Electric from 1978 to 1991 in the Generation Planning, Technical Design and Plant Operations departments. He is past Chairman of the Power Division of the American Society of Mechanical Engineers and a member of the Board of Directors of the Gulf Coast Power Association. Mr. Schroeter graduated from Texas A&M University with a Bachelor of Science degree.

Donald J. Thorpe has been vice president - plant operations for the Company and Panda Global Services, the Company's operation and maintenance subsidiary, since February, 1998. Prior to his current position, he was the general manager of the Company's Rosemary Facility since 1994. From 1992 to 1994, he served as general manager of a cogeneration facility for Sithe Energies. From 1971 to 1992, Mr. Thorpe held a variety of management positions for Potomac Electric Power, including plant chief engineer and manager generating maintenance responsible for PEPCO's service center and central maintenance staff of 228 personnel. From 1967 to 1971, Mr. Thorpe was a turbine field service engineer for Westinghouse Electric. Mr. Thorpe received his Bachelor of Science degree from Lowell Technological Institute.

J. Kyle Woodruff has served as vice president - merchant plant development for the Company since April, 1999. He served as vice president project development and construction from May 1998 until March 1998 and as director of operations from 1997 to 1998 and as project engineering manager on Panda's Luannan Facility from 1995 to 1997. From 1994 to 1995, he served as project manager for the Company on a 115 MW cogeneration facility in development. Prior to joining the Company, Mr. Woodruff was senior mechanical engineer for CSW Energy. From 1986 through 1992, Mr. Woodruff worked as a project engineer for Sargent and Lundy. From 1979 until 1986, he served as start-up and results engineer for the Lower Colorado River Authority. Mr. Woodruff graduated from Texas Tech University with a Bachelor of Science degree and is a licensed professional engineer.



Panda Power Corp.

Panda recognizes that in a merchant environment, the Company's ability to maximize its earnings will be derived from its marketing and trading skills. Hence by controlling this function, Panda expects to capture value in several ways including, (i) eliminating the premium paid to third party power managers, (ii) monetizing the embedded optionality between physical and financial delivery and (iii) improving the product mix.

In addition to the operational value of merchant generation assets, market imbalances and volatility create additional value that a flexible operator can capture. Generally speaking, when a power generator has the option of delivering power physically or through the financial markets, the generator has the flexibility to deliver physical product when market prices are high and deliver financial product when the price is below the cost of generation. This optionality of being able to arbitrage between the physical and financial product at the individual contract level allows the power supplier to capture additional value.

A generation strategy can be enhanced by developing capabilities to harness and monetize the value which may be extracted from the overlap of the asset portfolio and market imbalances as well as the exploitation of the optionality inherent in the commodity aspect of capacity. In today's markets, power is rapidly becoming a commodity which can be sold and traded pursuant to a number of strategies. As previously discussed, the Company's current plans include the implementation of the "natural" hedge offered by the technical design of its facilities. This strategy allows the Company to capture additional value from facilities by exploiting the optionality being valued in today's power markets.

Going forward, enhanced power marketing/trading capabilities will offer the Company one primary attribute, market information. This "information" gathered from customers and market patterns alike will allow the Company to capture additional value through a any of a number of venues. These include (i) the design and implementation of product "packages" adjusted to reflect new customer preferences, (ii) the optimization of generation practices based on shifting market profiles and (iii) enhanced trading insight.

Panda has taken significant steps forward with respect to developing its power marketing and trading activities. In 1997, Panda formed Panda Power Corporation ("Panda Power" or "PPC") to sell excess capacity and energy from existing and future domestic merchant plants. Panda Power began managing merchant sales at its Brandywine facility in July 21, 1998. Brandywine, 100 percent indirectly owned by Panda, has become Panda's flagship facility. Operating since 1996, Brandywine represents 10 percent of Washington DC's base load power supply. PPC expects to add additional plants over time as it builds in power marketing capabilities.



Panda Global Services

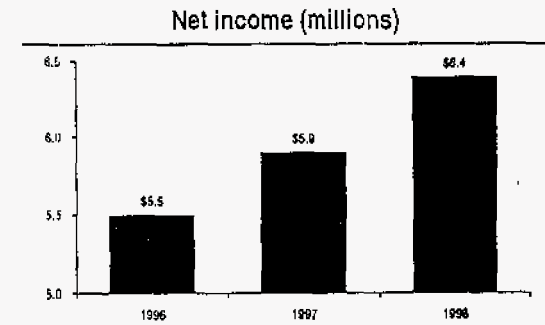
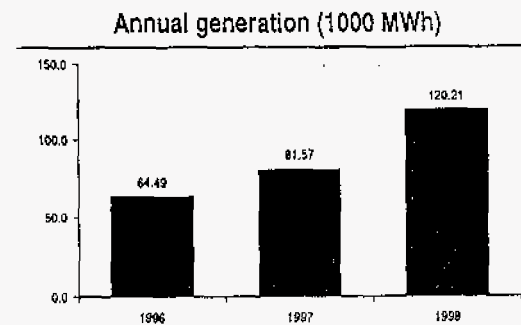
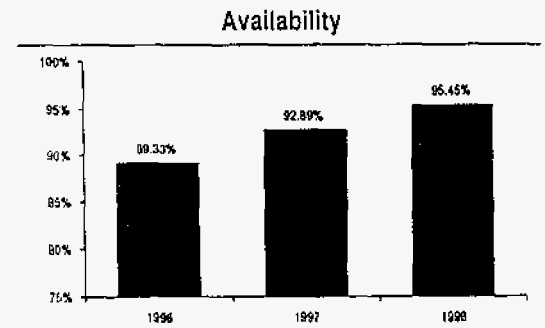
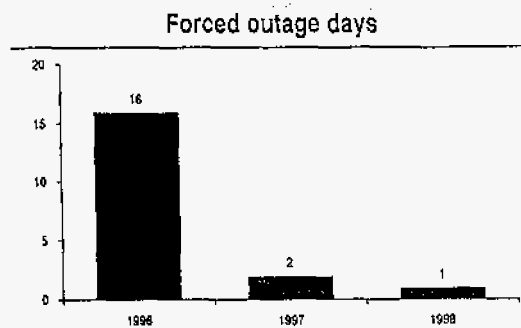
PGS is finding value by reducing costs, improving reliability and exploiting synergies

Panda recognized that an opportunity for additional upside was embedded in its operations and maintenance (“O&M”) function through reduced costs, improved dispatch and synergies from scale.

Though Panda initially found it more expedient to outsource its O&M function to third parties, the Company recognized that in so doing, it gave up value by virtue of paying a premium for these services. Panda has since begun to vertically integrate, bringing the O&M function under Company control. Panda Global Services (“PGS”) was formed in 1996 to capture operational value for Panda through plant management. PGS provides operations and maintenance to existing and future generation plants. PGS took over O&M of the Rosemary Facility in 1997.

Since O&M is fundamentally a cost center, PGS’ objective has been to minimize these costs while maximizing operating performance. Since taking over Rosemary, Panda has had much success in controlling O&M expenses. Overall O&M costs have fallen from \$6.2 million to \$3.4 million, roughly 30 percent. As illustrated in the chart below, net income has simultaneously improved from \$5.5m in 1996 to \$6.4m in 1998.

In addition to simply lowering O&M costs, PGS’ approach has had the added advantage of improving operating performance (e.g. plant availability and reliability of dispatch). Since PGS’ tenure began, Rosemary has seen marked improvement across all O&M categories – availability has improved and forced outages were dramatically reduced by 94 percent since 1996, as the charts below suggest ^(a).

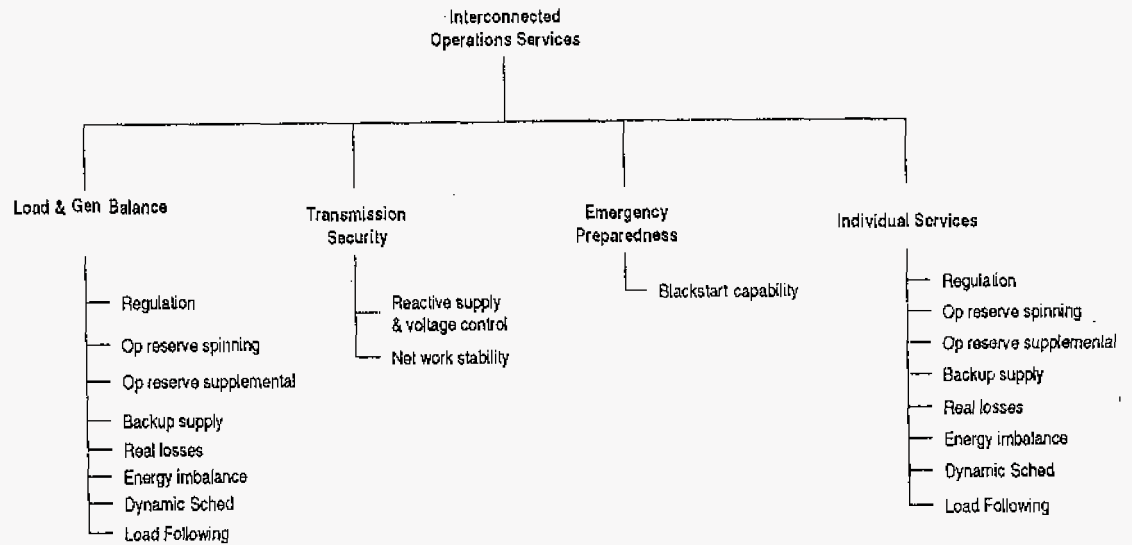


(a) 1996 was prior to PGS taking over the operations of the plant.



The third advantage to internally managing O&M is that synergies derived from the economies of scale of managing multiple facilities are available. Such savings include reductions in spare parts inventory (up to \$2m per part), and training. PGS recently began operating Brandywine in 1999 and will begin expanding O&M services to future PLC projects.

Panda Global Services offers its unbundled O&M services to other power producers. The table below illustrates the type of functions which PGS brings to PEII plants.





Panda Global Services

Six ancillary services required for open-access transmission service⁽¹⁾

- **Scheduling, system control and dispatch service.** This service is required to schedule the movement of power through, out of, within, or into a Control Area.
- **Reactive supply and voltage control from generation sources service.** In order to maintain transmission voltages on the Transmission Provider's transmission facilities within acceptable limits, generation facilities are operated to produce (or absorb) reactive power. Thus, Reactive Supply and Voltage Control from Generation Sources Service must be provided from each transaction on the Transmission Provider's transmission facilities.
- **Regulation and Frequency Response Service.** Regulation and Frequency Response Service is necessary to provide for the continuous balancing of resources (generation and interchange) with load and for maintaining scheduled Interconnection frequency at sixty cycles per second (60 Hz). Regulation and Frequency Response Service is accomplished by committing on-line generation whose output is raised or lowered (predominantly through the use of automatic generating control equipment) as necessary to follow the moment-by-moment changes in load.
- **Energy Imbalance Service.** Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area over a single hour.
- **Operating reserve – Spinning Reserve Service.** Spinning Reserve Service is needed to serve load immediately in the event of a system contingency. Spinning Reserve Service may be provided by generating units that are on-line and loaded at less than maximum output.
- **Operating reserve – Supplemental Reserve Service.** Supplemental Reserve Service is needed to service load in the event of a system contingency; however, it is not available to serve load immediately but rather within a short period of time. Supplemental Reserve Service may be provided by generating units that are on-line but unloaded, by quick-start generation, or by interruptible load.

Non-essential ancillary services

- **Backup Supply Service.** Backup Supply is electric generating capacity and energy that is provided to the transmission customer as needed (i) to replace the loss of its generation sources and (ii) to cover that portion of the customer's load that exceeds its generation supply for more than a short time.
- **Restoration Service.** Restoration Service or (black start capability) provides facilities and procedures to enable (i) a transmission provider to restore its system and (ii) a transmission customer to start its generating units or restore its loads if local power is unavailable.

(1) Excerpted from FERC Order 888, Appendix D, Pro Forma Tariff.



View of Brandywine Plant

APPLICANT-E



View of Paris Project from SW Corner 02/08/2000

Panda Energy International, Inc.

Financing highlights

Lamar Power Partners, L.P.

In order to accelerate its development activities, the Company recently transferred a majority of its interests in its first ERCOT project, the Panda Paris project, to FPL Energy.

Texas Independent Energy Company

Panda and PSEG Global established Texas Independent Energy Company ("TIE"), the corporate vehicle through which the parties will develop each of Panda's remaining ERCOT projects. Each party, Panda and PSEG Global owns 50% of TIE.

Guadalupe Power Partners

In September 1999, Guadalupe Power Partners, a Texas Independent Energy project, closed a \$504 million bank facility with ING Barings. The financing took only 11 weeks from start to finish. This transaction was the first of its kind with 60% leverage and no power sales contracts in place.

Panda Funding Corporation

The Rosemary facility and the Brandywine facility are each indirectly owned by Panda Interfunding. In July 1996, a wholly owned subsidiary of Panda Interfunding, Panda Funding Corporation ("PFC"), issued \$105.5 million of 115/8% pooled project bonds due 2012. The bonds are rated Ba3 by Moody's, BB- by Duff & Phelps, and BB- by Standard and Poor's, who rated the issue in April 1997. The transaction monetized Panda's equity in the projects by pledging the equity distributions of both projects. The proceeds were used to repurchase third party partnership equity, refinance existing debt, and to fund the development of other projects in Panda's portfolio.

Rosemary Facility

In July 1996, Panda-Rosemary Funding Corporation, a wholly owned Delaware special purpose finance subsidiary, issued \$111.4 million of 85/8 percent First Mortgage Bonds due 2016 to refinance the existing Rosemary Facility bank debt and repurchase third party partnership equity. The First Mortgage Bonds are rated Baa3/BBB- by Moody's and Duff & Phelps.

Brandywine Facility

In December 1997, Panda raised \$217.5 million under a 20-year leveraged lease with GE Capital Corporation as lessor and Credit Suisse and ten other banks as lenders to refinance the Brandywine Facility's

construction financing. GE Capital Corporation provided 100 percent of the development and construction funds.

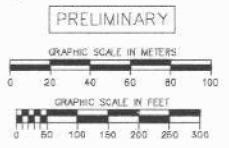
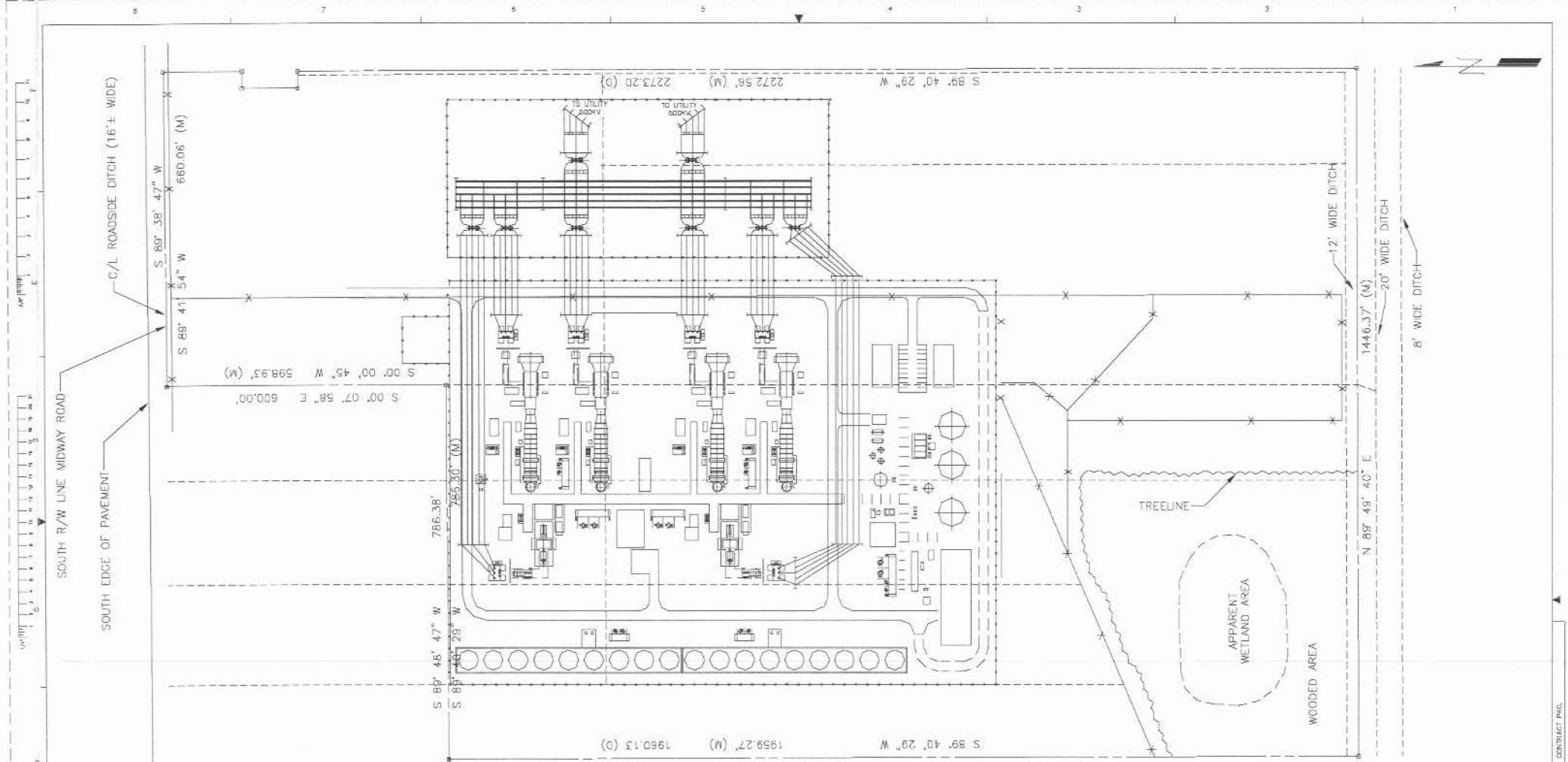
Luannan Facility

The Luannan Facility was financed using an innovative capital markets structure which pledged the residual cash flows of Panda's two domestic projects and the unrestricted cash flow of the Luannan Facility into a single credit structure. In April 1997, Panda Global issued \$155.2 million of 12.5 percent Senior Secured Notes due 2004 in a 144A transaction.

Upper Bhote Koshi Facility

On December 12, 1997, Panda closed a \$98.3 million multi-tiered financing package for the Upper Bhote Koshi Facility. Construction and long-term financing in the aggregate amount of up to \$68.8 million is being provided by the IFC and by Dresdner Bank AG, the Netherlands Development Bank ("FMO"), and Bayerische Vereinsbank ("BV") under an IFC A/B loan structure, and by DEG, the German Investment and Development Company as a co-lender. The term of the financing extends for a period of up to 9 to 12 years from commercial operation. Equity financing in the amount of up to \$29.5 million will be provided by Panda, the IFC, HIPC (an affiliate of the Soaltree Group), RDC of Nepal (an affiliate of Harza Engineering), and MCNIC. At financial closing, MCNIC purchased a portion of Panda's 75 percent interest in the facility. Panda contributed \$2 million in equity. MCNIC has agreed to provide the remaining required equity of up to \$20.1 million. MCNIC will receive 85 percent of cash flow distributions to Panda until MCNIC receives a 20 percent return on its investment, and 10 percent of cash flow distributions to Panda thereafter.

SITE -A



REV.	DATE	REVISION DESCRIPTION	DRWN	LAYS	CIVL	ENGR	CHK.	MECH	ELEC	PROJ	REV.	DATE	REVISION DESCRIPTION	DRWN	LAYS	CIVL	ENGR	CHK.	MECH	ELEC	PROJ	DWG. NO.	REFERENCE DRAWINGS
A		ISSUED FOR DESIGN	CAH																				

DUKE/FLUOR DANIEL		DESIGNED BY	INTASGSR
		CHECKED BY	INTASGSR
		DESIGNED APPROVAL	INTASGSR
		INTASGSR	INTASGSR
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PANDA ENERGY INTERNATIONAL INC.			
MIDWAY POWER PROJECT			
MIDWAY, FLORIDA			
PROPOSED SITE PLAN			
SCALE	CONTRACT NUMBER	DATE	REV.
1" = 100'-0"	892900-0-PP-5		

MANUAL CHANGES MADE - YES NO DWG. FILE UPDATED - YES NO MODEL UPDATED - YES NO

FLORIDA GAS TRANSMISSION

Project Name:	Phase IV Expansion Project (Docket No. CP99-94-000)
Length of Pipe:	205 miles
Capacity:	272,000 MMBtu/d of incremental firm transportation service.
Proposed In-service Date:	May 2001
State(s) Covered/Region Served:	Florida
Pipeline Route:	114 Mile extension of FGT's West Leg to the Fort Myers area
Estimated Cost of Project:	\$351 million
Rates:	Special rate caps (via settlement). Rolled-in FTS-2 rates
Ownership Status:	Citrus Corporation
Open Season:	Unknown
Regulatory Status:	Preliminary determination issued July 30, 1999. Currently pending issuance of final certificate order in Docket No. CP99-94-000.

FLORIDA GAS TRANSMISSION

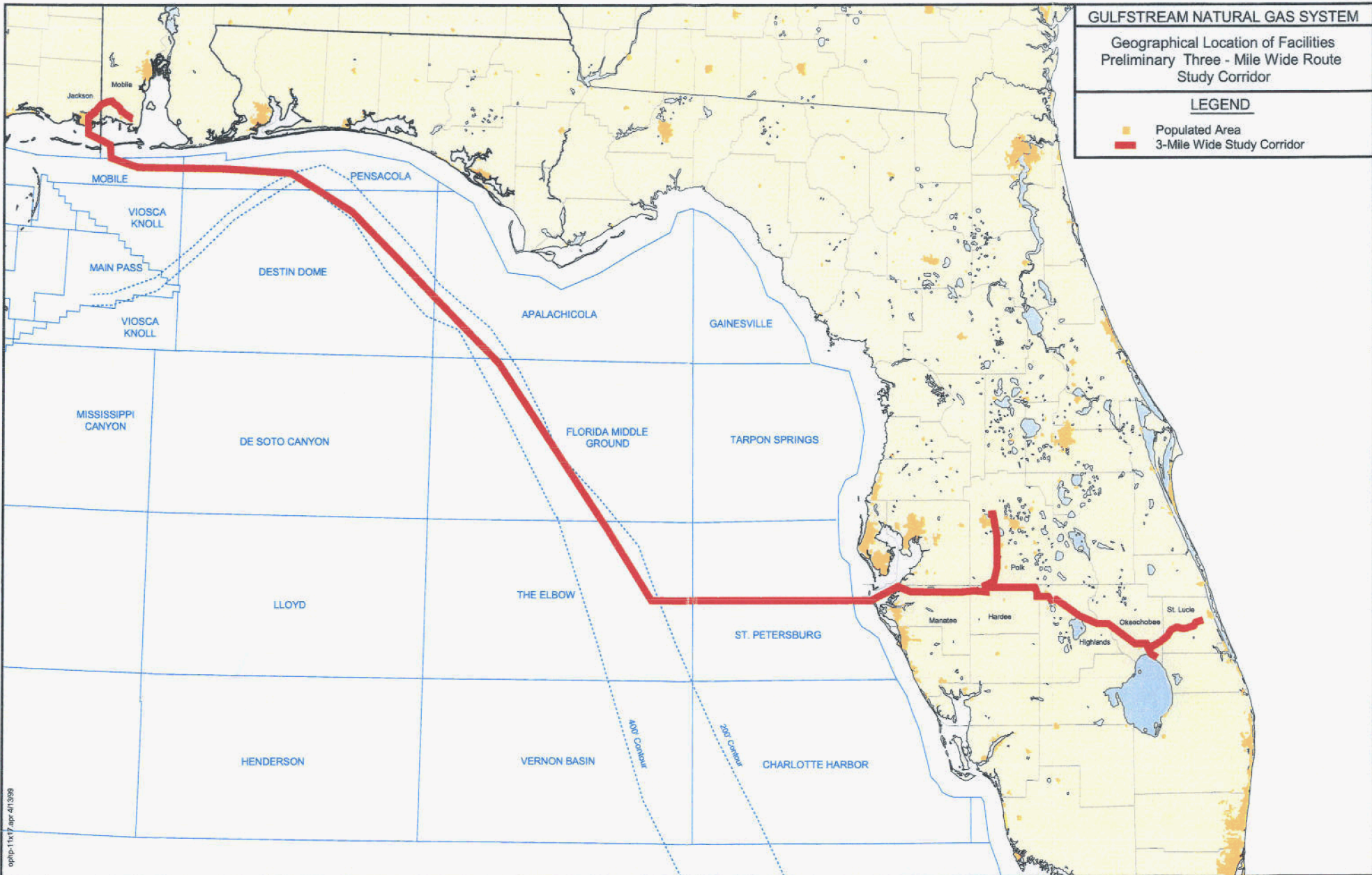
Project Name:	Phase V Expansion Project
Length of pipe:	To be determined
Capacity:	250-300 Mcf/d
Proposed In-service Date:	Second quarter 2002
State(s) Covered/Region Served:	Florida
Pipeline Route:	To be determined. Preliminary routing includes: One-mile wide corridor running from FGT's existing mainline pipeline which crosses the state further north down Highway 77 to the Panama City area, to serve Gulf Power Company near Panama City.
Estimated Cost of Project:	\$250 million
Rates:	FTS rolled-in
Ownership Status:	Citrus Corporation
Open Season:	March 25, 1999 - April, 30 1999
Anticipated Filing Date:	December 1, 1999

BUCCANEER

Project Name:	Buccaneer Pipeline Project
Length of Pipe:	420 miles offshore and 250 onshore
Capacity:	700,000 Mcf/d to 1 Bcf/day
Proposed In-service Date:	April 2002
State(s) Covered/Region Served:	Florida, with possible lateral to Alabama.
Pipeline Route:	Alabama; Mobile Bay, under the Gulf, coming ashore in Pasco County, near Florida Power Corp's Ancelote plant, roughly following Interstate 4 and ending near Cape Canaveral.
Estimated Cost of Project:	\$1.5 billion
Rates:	Expected to be competitive with Gulfstream
Ownership Status:	The Williams Companies, Inc.
Open Season:	March 4 - April 8, 1999
Anticipated Filing date:	Late 1999

GULFSTREAM NATURAL GAS

Project Name:	Gulfstream Natural Gas System
Length of Pipe:	490 miles of 30 inch diameter
Capacity:	Up to 1.2 billion cubic feet of natural gas per day
Proposed In-service Date:	June 2002
State(s) Covered/Region Served:	Florida
Pipeline Route:	Mobile Bay, Alabama, under the Gulf of Mexico, entering Florida near Port Manatee, and ending in West Palm Beach.
Estimated Cost of Project:	\$1.2 billion
Rates:	Rolled-in. Negotiated rates, possibly fixed (per MMBtu) for the contract term.
Open Season:	March 15, 1999 - March 29, 1999
Ownership Status:	The Coastal Corporation
Anticipated Filing date:	October 1, 1999

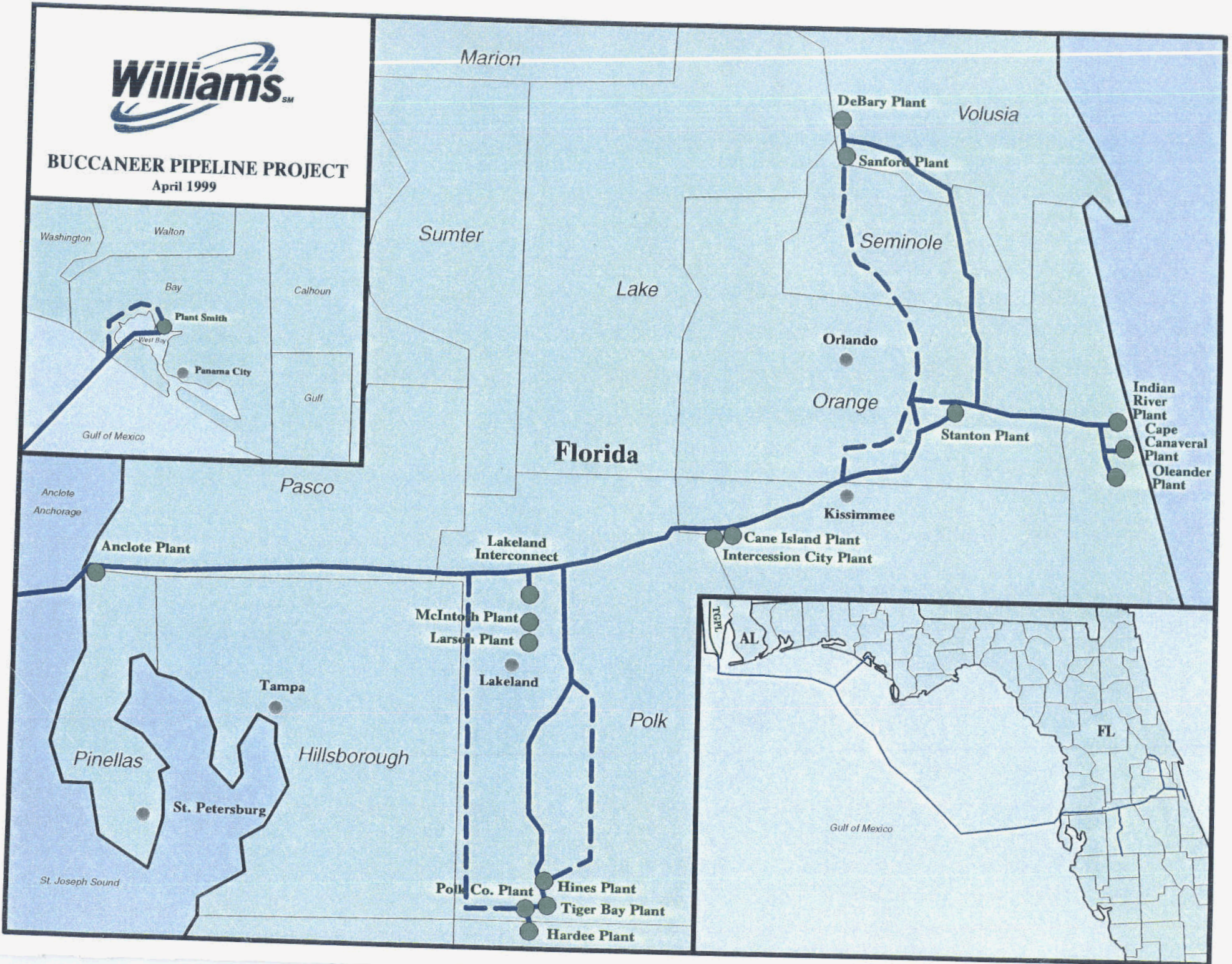


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BUCCANEER PIPELINE PROJECT

April 1999



FLORIDA - MIDWAY PROJECT
Detail Project Schedule

ID	Task Name	Duration	Start	Finish	2000				2001				2002				2003				
					Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2		
1	Project Initiated	1 day	Fri 10/01/99	Fri 10/01/99	10/01																
2																					
3	Land	509 days	Fri 10/01/99	Wed 09/12/01																	
4	Acquisition	509 days	Fri 10/01/99	Wed 09/12/01																	
5	✓ Selection	1 day	Fri 10/01/99	Fri 10/01/99	10/01																
6	✓ Option Agreement Complete	1 day	Mon 10/04/99	Mon 10/04/99	10/04																
7	Second Option Payment	1 day	Wed 11/01/00	Wed 11/01/00													11/01				
8	Final Purchase	1 day	Wed 09/12/01	Wed 09/12/01													09/12				
9	Laydown Selection	33 days	Fri 12/03/99	Tue 01/18/00																	
10	Laydown Option Agreement	11 days	Wed 01/19/00	Wed 02/02/00																	
11	Rezoning	225 days	Wed 01/05/00	Tue 11/14/00																	
12	✓ Prepare Land Use Plan Submittal	19 days	Wed 01/05/00	Mon 01/31/00																	
13	✓ Receive sufficiency letters	9 days	Tue 02/01/00	Fri 02/11/00																	
14	Sufficiency Response	12 days	Mon 02/14/00	Tue 02/29/00																	
15	Prepare Rezoning Submittal	33 days	Tue 02/01/00	Thu 03/16/00																	
16	Staff Review	10 days	Fri 03/17/00	Thu 03/30/00																	
17	Planning & Zoning Board Hearing	1 day	Mon 04/03/00	Mon 04/03/00													04/03				
18	Council Review of Annex & 1st R	5 days	Tue 04/04/00	Mon 04/10/00																	
19	First City Council Meeting (xmit to	1 day	Mon 04/24/00	Mon 04/24/00													04/24				
20	Transmittal to DCA & other agenc	8 days	Tue 04/25/00	Thu 05/04/00																	
21	DCA Notice of Completeness	5 days	Fri 05/05/00	Thu 05/11/00																	
22	RPC Hearing for Comp Plan Ame	1 day	Fri 05/19/00	Fri 05/19/00													05/19				
23	DCA Decision to conduct review	15 days	Fri 05/12/00	Thu 06/01/00																	
24	DCA Issues ORC Report	13 days	Fri 06/02/00	Tue 06/20/00																	
25	City Adopts Amendment and Zon	1 day	Mon 08/21/00	Mon 08/21/00													08/21				

SITE -D

Project: Florida - Midway
Project Start: Fri 10/01/99
Project Finish: Thu 05/01/03
Project Mgr: Steve Crain

Detail Project Schedule
Project No. 127/10
Data Date: Thu 03/02/00

Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone		Rolled Up Milestone			

FLORIDA - MIDWAY PROJECT
Detail Project Schedule

ID	Task Name	Duration	Start	Finish	2000				2001				2002				2003	
					Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1
26	City Transmits Adopted Amendm	6 days	Tue 08/22/00	Tue 08/29/00														
27	DCA Issues Compliance Determin	33 days	Wed 08/30/00	Fri 10/13/00														
28	Newspaper Notice	1 day	Tue 10/24/00	Tue 10/24/00														
29	Deadline for 3rd Party Challenge	15 days	Wed 10/25/00	Tue 11/14/00														
30	Surveys	20 days	Thu 01/20/00	Wed 02/16/00														
31	Property Boundary Survey	5 days	Thu 01/20/00	Wed 01/26/00														
32	TOPO Survey	5 days	Thu 01/20/00	Wed 01/26/00														
33	Meetings w/Local Govt	10 days	Thu 02/03/00	Wed 02/16/00														
34																		
35	Environmental	494 days	Fri 10/01/99	Wed 08/22/01														
36	Retain Environmental Consultant	1 day	Fri 10/01/99	Fri 10/01/99														
37	Prelim WW Estimate & Disch Assess.	85 days	Mon 10/04/99	Fri 01/28/00														
38	Initial Supply Water Sampling	5 days	Mon 01/31/00	Fri 02/04/00														
39	Coordination Meeting	1 day	Mon 02/07/00	Mon 02/07/00														
40	Noise Background Monitoring	19 days	Tue 02/08/00	Fri 03/03/00														
41	Listed Species Survey	5 days	Mon 03/06/00	Fri 03/10/00														
42	Wetlands Determination	5 days	Mon 03/13/00	Fri 03/17/00														
43	Final Water Balance	5 days	Mon 03/20/00	Fri 03/24/00														
44	Environmental Complete	1 day	Wed 08/22/01	Wed 08/22/01														
45																		
46	Permitting	480 days	Mon 11/01/99	Fri 08/31/01														
47	Determination of Need	168 days	Wed 01/19/00	Fri 09/08/00														
48	Market Studies	15 days	Wed 01/19/00	Tue 02/08/00														
49	Review Meeting	1 day	Thu 02/10/00	Thu 02/10/00														
50	Prepare Petition & Exhibits	10 days	Fri 02/11/00	Thu 02/24/00														

Project: Florida - Midway
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Detail Project Schedule
Project No. 127/10
Data Date: Thu 03/02/00

Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone		Rolled Up Milestone			

FLORIDA - MIDWAY PROJECT
Detail Project Schedule

ID	Task Name	Duration	Start	Finish	2000				2001				2002				2003			
					Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	
51	Prepare Testimony	6 days	Fri 02/25/00	Fri 03/03/00																
52	Submit Application	1 day	Mon 03/06/00	Mon 03/06/00		◆														
53	Order Establishing Procedure	8 days	Tue 03/07/00	Thu 03/16/00																
54	Issue Identification	7 days	Fri 03/17/00	Mon 03/27/00																
55	Petitioner Testimony	7 days	Tue 03/28/00	Wed 04/05/00																
56	Staff & Intervenor Testimony	9 days	Thu 04/06/00	Tue 04/18/00																
57	Prehearing Statements	5 days	Wed 04/19/00	Tue 04/25/00																
58	Rebuttal Testimony	5 days	Wed 04/26/00	Tue 05/02/00																
59	Prehearing & Order	8 days	Wed 05/03/00	Fri 05/12/00																
60	Hearing	3 days	Thu 06/01/00	Mon 06/05/00																
61	Briefs	17 days	Tue 06/06/00	Wed 06/28/00																
62	Staff Recommendation	10 days	Thu 06/29/00	Wed 07/12/00																
63	Agenda	4 days	Thu 07/13/00	Tue 07/18/00																
64	Order Issued	15 days	Wed 07/19/00	Tue 08/08/00																
65	Close Docket/Revise CASR	23 days	Wed 08/09/00	Fri 09/08/00																
66	Site Certification Application	472 days	Mon 11/01/99	Tue 08/21/01	◆															
67	SCA Draft Preparation	105 days	Mon 11/01/99	Fri 03/24/00																
68	SCA Final Preparation	20 days	Mon 03/27/00	Fri 04/21/00																
69	Final Draft Review Meeting	3 days	Wed 04/26/00	Fri 04/28/00																
70	Produce Final SCA	4 days	Mon 05/01/00	Thu 05/04/00																
71	SCA Sumbittal	1 day	Fri 05/05/00	Fri 05/05/00																
72	PSD Application Submitted	1 day	Fri 05/05/00	Fri 05/05/00																
73	NPDES Application Submitted	1 day	Fri 05/05/00	Fri 05/05/00																
74	FDEP Determination of Complete	10 days	Mon 05/08/00	Fri 05/19/00																
75	SCA Distributed to Agencies	2 days	Mon 05/22/00	Tue 05/23/00																

Project: Florida - Midway
Project Start: Fri 10/01/99
Project Finish: Thu 05/01/03
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Detail Project Schedule
Project No. 127/10
Data Date: Thu 03/02/00

Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone	◆	Rolled Up Milestone	◇		

FLORIDA - MIDWAY PROJECT
Detail Project Schedule

ID	Task Name	Duration	Start	Finish	2000				2001				2002				2003			
					Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	
76	Agency Sufficiency Reports	22 days	Wed 05/24/00	Thu 06/22/00																
77	Land Use Hearing Notice	1 day	Fri 06/23/00	Fri 06/23/00																
78	Initial Sufficiency Determination b	11 days	Fri 06/23/00	Fri 07/07/00																
79	Sufficiency Response by Panda	28 days	Mon 07/10/00	Wed 08/16/00																
80	Land Use Hearing	1 day	Tue 08/22/00	Tue 08/22/00																
81	Final Sufficiency Determination	22 days	Thu 08/17/00	Fri 09/15/00																
82	ALJ Land Use Order Issued	21 days	Wed 08/23/00	Wed 09/20/00																
83	Agency Proposed Conditions to F	110 days	Wed 05/24/00	Tue 10/24/00																
84	Siting Board Meeting on Land Us	1 day	Tue 11/07/00	Tue 11/07/00																
85	FDEP Agency Report	168 days	Mon 05/22/00	Wed 01/10/01																
86	Notice of Certification Hearing	1 day	Thu 01/11/01	Thu 01/11/01																
87	Certification Hearing	1 day	Mon 03/26/01	Mon 03/26/01																
88	ALJ Recommended Order	42 days	Tue 03/27/01	Wed 05/23/01																
89	Siting Board Final Order	41 days	Thu 05/24/01	Thu 07/19/01																
90	PSD Permit Issued	22 days	Fri 07/20/01	Mon 08/20/01																
91	NPDES Permit Issued	22 days	Fri 07/20/01	Mon 08/20/01																
92	SCA Process Complete	1 day	Tue 08/21/01	Tue 08/21/01																
93	Other Permits	132 days	Thu 03/01/01	Fri 08/31/01																
94	FERC EWG Certificate	65 days	Mon 04/30/01	Fri 07/27/01																
95	DOE Fuel Use Certificate	110 days	Thu 03/01/01	Wed 08/01/01																
96	FAA Stack Height	110 days	Mon 04/02/01	Fri 08/31/01																
97																				
98	Project Contracts	459 days	Fri 10/01/99	Wed 07/04/01																
99	Fuel	231 days	Mon 07/03/00	Mon 05/21/01																
100	Prepare Fuel Plan	132 days	Mon 07/03/00	Tue 01/02/01																

Project: Florida - Midway
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Detail Project Schedule
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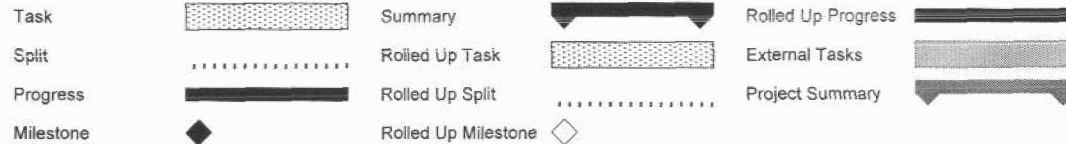
Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone		Rolled Up Milestone			

FLORIDA - MIDWAY PROJECT
Detail Project Schedule

ID	Task Name	Duration	Start	Finish	2000				2001				2002				2003	
					Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1
101	Identify Fuel Transportation Altern	22 days	Wed 01/03/01	Thu 02/01/01														
102	Negotiate Fuel Transportation Co	44 days	Fri 02/02/01	Wed 04/04/01														
103	Fuel Transportation Contracts Co	33 days	Thu 04/05/01	Mon 05/21/01														
104	Identify Fuel Supply Alternatives	22 days	Wed 01/03/01	Thu 02/01/01														
105	Negotiate Fuel Supply Contracts	44 days	Fri 02/02/01	Wed 04/04/01														
106	Fuel Supply Contracts Complete	33 days	Thu 04/05/01	Mon 05/21/01														
107	Water	121 days	Mon 12/06/99	Mon 05/22/00														
108	Identify Water Source & Supplier	33 days	Mon 12/06/99	Wed 01/19/00														
109	Contract for Water Supplies	66 days	Thu 01/20/00	Thu 04/20/00														
110	Pre-Design Water Delivery System	22 days	Fri 04/21/00	Mon 05/22/00														
111	Wastewater	121 days	Mon 12/06/99	Mon 05/22/00														
112	Identify WW Disposal Alternatives	33 days	Mon 12/06/99	Wed 01/19/00														
113	Contract for WW Removal	66 days	Thu 01/20/00	Thu 04/20/00														
114	Pre-Design WW Effluent System	22 days	Fri 04/21/00	Mon 05/22/00														
115	Interconnection	280 days	Fri 10/01/99	Thu 10/26/00														
116	Conceptual Study	80 days	Fri 10/01/99	Thu 01/20/00														
117	Interconnection Study Agreement	22 days	Fri 01/21/00	Mon 02/21/00														
118	Interconnection Study	90 days	Tue 02/22/00	Mon 06/26/00														
119	Facility Study Agreement	22 days	Fri 05/26/00	Mon 06/26/00														
120	Facility Study	88 days	Tue 06/27/00	Thu 10/26/00														
121	Interconnection Agreement	66 days	Thu 07/27/00	Thu 10/26/00														
122	EPC	176 days	Thu 06/01/00	Thu 02/01/01														
123	Identify Qualified Candidates	22 days	Thu 06/01/00	Fri 06/30/00														
124	Negotiate Contract	66 days	Mon 07/03/00	Mon 10/02/00														
125	Execute LOI	22 days	Tue 10/03/00	Wed 11/01/00														

Project: Florida - Midway
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FLORIDA - MIDWAY PROJECT
Detail Project Schedule

ID	Task Name	Duration	Start	Finish	2000				2001				2002				2003			
					Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	
126	Negotiate and Execute full EPC C	66 days	Thu 11/02/00	Thu 02/01/01																
127	O&M Contract	66 days	Mon 01/01/01	Mon 04/02/01																
128	Prepare and issue RFP	22 days	Mon 01/01/01	Tue 01/30/01																
129	Negotiate Contract	22 days	Wed 01/31/01	Thu 03/01/01																
130	Execute Contract	22 days	Fri 03/02/01	Mon 04/02/01																
131	Power Sales	383 days	Mon 01/17/00	Wed 07/04/01																
132	Sales & Marketing	383 days	Mon 01/17/00	Wed 07/04/01																
133	Initial Market Studies	22 days	Mon 01/17/00	Tue 02/15/00																
134	Final Market Studies	22 days	Fri 12/01/00	Mon 01/01/01																
135	Power Sales Plan	22 days	Tue 01/02/01	Wed 01/31/01																
136	Identify and Survey Potentia	22 days	Thu 02/01/01	Fri 03/02/01																
137	Negotiate Power Sales Agre	66 days	Mon 03/05/01	Mon 06/04/01																
138	PSAs Complete	22 days	Tue 06/05/01	Wed 07/04/01																
139	Power Management	84 days	Thu 02/01/01	Tue 05/29/01																
140	Identify Potential Power Man	18 days	Thu 02/01/01	Mon 02/26/01																
141	Negotiate Power Mgt Contra	66 days	Tue 02/27/01	Tue 05/29/01																
142																				
143	Engineering	116 days	Mon 01/10/00	Mon 06/19/00																
144	Site Survey	15 days	Mon 01/10/00	Fri 01/28/00																
145	Prelim Site Plan	10 days	Mon 01/31/00	Fri 02/11/00																
146	Geotech Fieldwork	28 days	Wed 01/19/00	Fri 02/25/00																
147	Prelim Water Balance	28 days	Wed 01/19/00	Fri 02/25/00																
148	Prelim Heat & Material Balance	22 days	Thu 01/27/00	Fri 02/25/00																
149	Fuel & Duct Burner Specs	18 days	Wed 01/19/00	Fri 02/11/00																
150	Geotech Report	10 days	Mon 02/28/00	Fri 03/10/00																

Project: Florida - Midway
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FLORIDA - MIDWAY PROJECT
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ID	Task Name	Duration	Start	Finish	2000				2001				2002				2003	
					Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1
151	Final Water Balance	10 days	Mon 03/13/00	Fri 03/24/00														
152	Design water system	66 days	Mon 02/28/00	Mon 05/29/00														
153	Design wastewater system	66 days	Mon 02/28/00	Mon 05/29/00														
154	Retain Lender's Engineer	15 days	Tue 05/30/00	Mon 06/19/00														
155																		
156	Project Finance	288 days	Fri 08/04/00	Tue 09/11/01														
157	Begin Project Financing	1 day	Fri 08/04/00	Fri 08/04/00														
158	Develop Financial Proforma	22 days	Mon 08/07/00	Tue 09/05/00														
159	Prepare Construction budget	22 days	Wed 09/06/00	Thu 10/05/00														
160	Finalize Consultant Reports	22 days	Fri 10/06/00	Mon 11/06/00														
161	Finalize Market Study	22 days	Tue 11/07/00	Wed 12/06/00														
162	Independent Engineer's Report	22 days	Thu 12/07/00	Fri 01/05/01														
163	Retain Fuel Consultant	22 days	Mon 01/08/01	Tue 02/06/01														
164	Develop Offering Memorandum	22 days	Wed 02/07/01	Thu 03/08/01														
165	Determine Financing Options	22 days	Fri 03/09/01	Mon 04/09/01														
166	Choose Lenders	22 days	Tue 04/10/01	Wed 05/09/01														
167	Road Shows	22 days	Thu 05/10/01	Fri 06/08/01														
168	Due Diligence	22 days	Mon 06/11/01	Tue 07/10/01														
169	Term Sheets	22 days	Wed 07/11/01	Thu 08/09/01														
170	Credit Facility Negotiations	22 days	Fri 08/10/01	Mon 09/10/01														
171	Financial Closing	1 day	Tue 09/11/01	Tue 09/11/01														
172																		
173	Construction	427 days	Wed 09/12/01	Thu 05/01/03														
174	Notice to Proceed	1 day	Wed 09/12/01	Wed 09/12/01														
175	Turbine Ship	1 day	Fri 08/02/02	Fri 08/02/02														

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					Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	
176	Commercial Operation	1 day	Thu 05/01/03	Thu 05/01/03																
177																				◆ 05
178	Project Complete	1 day	Thu 05/01/03	Thu 05/01/03																◆ 05

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Task		Summary		Rolled Up Progress	
Split		Rolled Up Task		External Tasks	
Progress		Rolled Up Split		Project Summary	
Milestone	◆	Rolled Up Milestone	◇		



FIGURE 1.
WETLANDS MAP
PANDA MIDWAY POWER PROJECT
ST. LUCIE COUNTY, FLORIDA

Source: www.labins.org (aerial), ECT Inc., 2000

SITE-E

ECT

Environmental Consulting & Technology, Inc.

Table 1

**Summary of Committed and Uncommitted Resources
Summer**

		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Uncommitted Resources⁽¹⁾											
SEC	Unknown	-	-	150	150	150	150	150	150	150	150
SEC	Unknown	-	-	150	150	150	150	150	150	150	150
TECO	Polk	-	-	155	155	155	155	155	155	155	155
JEA	Brandy Branch	-	-	149	149	149	149	149	149	149	149
FKEC	Marathon	-	-	4	4	4	4	4	4	4	4
JEA	Brandy Branch	-	-	-	149	149	149	149	149	149	149
FPL	Sanford RP ⁽²⁾	-	-	-	202	927	927	927	927	927	927
SEC	Unknown	-	-	-	-	150	150	150	150	150	150
SEC	Unknown	-	-	-	-	150	150	150	150	150	150
SEC	Unknown	-	-	-	-	150	150	150	150	150	150
SEC	Unknown	-	-	-	-	150	150	150	150	150	150
TECO	Polk	-	-	-	-	155	155	155	155	155	155
SEC	Unknown	-	-	-	-	-	150	150	150	150	150
SEC	Unknown	-	-	-	-	-	150	150	150	150	150
TECO	Polk	-	-	-	-	-	155	155	155	155	155
LAKE	Mcintosh	-	-	-	-	-	238	238	238	238	238
FPC	Hines Energy Complex	-	-	-	-	-	-	495	495	495	495
SEC	Unknown	-	-	-	-	-	-	150	150	150	150
TECO	Polk	-	-	-	-	-	-	155	155	155	155
JEA	Brandy Branch	-	-	-	-	-	-	149	149	149	149
SEC	Unknown	-	-	-	-	-	-	-	150	150	150
FPL	Martin	-	-	-	-	-	-	-	419	419	419
FPC	Hines Energy Complex	-	-	-	-	-	-	-	-	495	495
SEC	Unknown	-	-	-	-	-	-	-	-	150	150
FMPA	Cane Island	-	-	-	-	-	-	-	-	-	80
FPL	Martin	-	-	-	-	-	-	-	-	419	419
TECO	Polk	-	-	-	-	-	-	-	-	155	155
JEA	Unknown	-	-	-	-	-	-	-	-	149	149
SEC	Unknown	-	-	-	-	-	-	-	-	-	150
FPL	Unknown	-	-	-	-	-	-	-	-	-	419
TECO	Polk	-	-	-	-	-	-	-	-	-	155
Total Uncommitted Additions		-	-	608	959	2,439	3,132	4,081	4,650	6,098	6,822
Additional Committed Resources⁽³⁾											
Duke/New Smyrna	CC	-	-	-	476	476	476	476	476	476	476
Thermo Ecotek (Lakeworth Gen)	RP	-	-	-	260	260	260	260	260	260	260
Reliant - Holopaw	CT	-	-	-	460	460	460	460	460	460	460
IPS/Avon Park	CT	-	-	-	460	460	460	460	460	460	460
PG&E - Okeechobee	CC	-	-	-	-	550	550	550	550	550	550
Panda - Leesburg	CC	-	-	-	-	1,100	1,100	1,100	1,100	1,100	1,100
Panda - Midway	CC	-	-	-	-	1,100	1,100	1,100	1,100	1,100	1,100
FPL Sanford Repowering ⁽⁴⁾	RP	-	-	-	-	1,167	1,167	1,167	1,167	1,167	1,167
Total Committed Additions		-	-	-	1,656	5,573	5,573	5,573	5,573	5,573	5,573

[1] Projects reported in the FRCC 1999 Regional Load & Resource Plan which have not submitted petitions for certificate of need or which have not been permitted for air quality or construction.

[2] Based on information contained in FPL's Ten-Year Site Plan and recent information made public by FPL, the project to repower units 3 and 4 has been changed to reflect a repowering of units 4 and 5.

[3] Projects which were not reported in the FRCC 1999 Regional Load & Resource Plan that have submitted petitions for certificate of need, or if not required to submit such petition, projects that have received air quality and/or construction permits.

[4] Reflects repowering units 4 and 5.

Table 2

**Summary of Committed and Uncommitted Resources
Winter**

		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Uncommitted Resources^[1]											
SEC	Unknown	-	-	150	150	150	150	150	150	150	150
SEC	Unknown	-	-	150	150	150	150	150	150	150	150
TECO	Polk	-	-	180	180	180	180	180	180	180	180
JEA	Brandy Branch	-	-	186	186	186	186	186	186	186	186
JEA	Brandy Branch	-	-	-	186	186	186	186	186	186	186
FKEC	Marathon	-	-	-	4	4	4	4	4	4	4
FPL	Sanford RP ^[2]	-	-	-	182	1,101	1,101	1,101	1,101	1,101	1,101
SEC	Unknown	-	-	-	-	150	150	150	150	150	150
SEC	Unknown	-	-	-	-	150	150	150	150	150	150
SEC	Unknown	-	-	-	-	150	150	150	150	150	150
SEC	Unknown	-	-	-	-	150	150	150	150	150	150
TECO	Polk	-	-	-	-	180	180	180	180	180	180
SEC	Unknown	-	-	-	-	-	150	150	150	150	150
SEC	Unknown	-	-	-	-	-	150	150	150	150	150
TECO	Polk	-	-	-	-	-	180	180	180	180	180
LAKE	Mcintosh	-	-	-	-	-	-	238	238	238	238
FPC	Hines Energy Complex	-	-	-	-	-	-	587	587	587	587
SEC	Unknown	-	-	-	-	-	-	150	150	150	150
TECO	Polk	-	-	-	-	-	-	180	180	180	180
JEA	Brandy Branch	-	-	-	-	-	-	-	186	186	186
SEC	Unknown	-	-	-	-	-	-	-	150	150	150
FPL	Martin	-	-	-	-	-	-	-	448	448	448
FPC	Hines Energy Complex	-	-	-	-	-	-	-	-	567	567
SEC	Unknown	-	-	-	-	-	-	-	-	150	150
FMPA	Cane Island	-	-	-	-	-	-	-	-	80	80
FPL	Martin	-	-	-	-	-	-	-	-	448	448
TECO	Polk	-	-	-	-	-	-	-	-	180	180
JEA	Unknown	-	-	-	-	-	-	-	-	-	186
SEC	Unknown	-	-	-	-	-	-	-	-	-	150
FPL	Unknown	-	-	-	-	-	-	-	-	-	448
TECO	Polk	-	-	-	-	-	-	-	-	-	180
Total Uncommitted Additions		-	-	666	1,038	2,737	3,217	4,372	5,156	6,581	7,545
Additional Committed Resources^[3]											
Duke/New Smyrna	CC	-	-	-	548	548	548	548	548	548	548
Thermo Ecotek (Lakeworth Gen)	RP	-	-	-	260	260	260	260	260	260	260
Reliant - Holopaw	CT	-	-	-	460	460	460	460	460	460	460
IPS/Avon Park	CT	-	-	-	-	680	680	680	680	680	680
PG&E - Okeechobee	CC	-	-	-	-	-	550	550	550	550	550
Panda - Leesburg	CC	-	-	-	-	-	1,150	1,150	1,150	1,150	1,150
Panda - Midway	CC	-	-	-	-	-	1,150	1,150	1,150	1,150	1,150
FPL Sanford Repowering ^[4]	RP	-	-	-	202	1,341	1,341	1,341	1,341	1,341	1,341
Total Committed Additions		-	-	-	1,470	3,289	6,139	6,139	6,139	6,139	6,139

- [1] Projects reported in the FRCC 1999 Regional Load & Resource Plan which have not submitted petitions for certificate of need or which have not been permitted for air quality or construction.
- [2] Based on information contained in FPL's Ten-Year Site Plan and recent information made public by FPL, the project to repower units 3 and 4 has been changed to reflect a repowering of units 4 and 5.
- [3] Projects which were not reported in the FRCC 1999 Regional Load & Resource Plan that have submitted petitions for certificate of need, or if not required to submit such petition, projects that have received air quality and/or construction permits.
- [4] Reflects repowering of Sanford units 4 and 5.

Table 3
 FRCC
 Summary of Capacity, Demand & Reserve Margin
 Summer Peak
 (Megawatts)

FRCC 1999 Regional Load and Resource Plan

Year	Total Available Capacity	Total Peak Demand	Reserve Margin w/o Load Management Percent	Reserve Margin w/o Load Management MW	Firm Peak Demand	Reserve Margin with Load Management Percent	Reserve Margin with Load Management MW
2003	44,484	39,781	11.8%	4,703	36,988	20.3%	7,496
2004	44,921	40,593	10.7%	4,328	37,804	18.8%	7,117
2005	45,772	41,433	10.5%	4,339	38,638	18.5%	7,134
2006	46,208	42,398	9.0%	3,810	39,597	16.7%	6,611
2007	47,651	43,252	10.2%	4,399	40,443	17.8%	7,208
2008	48,350	44,066	9.7%	4,284	41,266	17.2%	7,084

Committed Projects Excluding Panda

Year	Total Available Capacity	Less Uncommitted Resources	Plus Additional Committed Resources	Adjusted Available Capacity	Total Peak Demand	Reserve Margin w/o Load Management Percent	Reserve Margin w/o Load Management MW	Firm Peak Demand	Reserve Margin with Load Management Percent	Reserve Margin with Load Management MW
2003	44,484	2,439	3,373	45,418	39,781	14.2%	5,637	36,988	22.8%	8,430
2004	44,921	3,132	3,373	45,162	40,593	11.3%	4,569	37,804	19.5%	7,358
2005	45,772	4,081	3,373	45,064	41,433	8.8%	3,631	38,638	16.6%	6,426
2006	46,208	4,650	3,373	44,931	42,398	6.0%	2,533	39,597	13.5%	5,334
2007	47,651	6,098	3,373	44,926	43,252	3.9%	1,674	40,443	11.1%	4,483
2008	48,350	6,822	3,373	44,901	44,066	1.9%	835	41,266	8.8%	3,635

Committed Projects Including Panda

Year	Total Available Capacity	Less Uncommitted Resources	Plus Additional Committed Resources	Adjusted Available Capacity	Total Peak Demand	Reserve Margin w/o Load Management Percent	Reserve Margin w/o Load Management MW	Firm Peak Demand	Reserve Margin with Load Management Percent	Reserve Margin with Load Management MW
2003	44,484	2,439	5,573	47,618	39,781	19.7%	7,837	36,988	28.7%	10,630
2004	44,921	3,132	5,573	47,362	40,593	16.7%	6,769	37,804	25.3%	9,558
2005	45,772	4,081	5,573	47,264	41,433	14.1%	5,831	38,638	22.3%	8,626
2006	46,208	4,650	5,573	47,131	42,398	11.2%	4,733	39,597	19.0%	7,534
2007	47,651	6,098	5,573	47,126	43,252	9.0%	3,874	40,443	16.5%	6,683
2008	48,350	6,822	5,573	47,101	44,066	6.9%	3,035	41,266	14.1%	5,835

NEEDS - C

Table 4
FRCC
Summary of Capacity, Demand & Reserve Margin
Winter Peak
(Megawatts)

FRCC 1999 Regional Load and Resource Plan

Year	Total Available Capacity	Total Peak Demand	Reserve Margin w/o Load Management Percent	Reserve Margin w/o Load Management MW	Firm Peak Demand	Reserve Margin with Load Management Percent	Reserve Margin with Load Management MW
2003/04	47,213	43,726	8.0%	3,487	39,663	19.0%	7,550
2004/05	48,125	44,651	7.8%	3,474	40,566	18.6%	7,559
2005/06	48,776	44,553	9.5%	4,223	41,450	17.7%	7,326
2006/07	50,195	46,600	7.7%	3,595	42,476	18.2%	7,719
2007/08	51,144	47,502	7.7%	3,642	43,374	17.9%	7,770

Committed Projects Excluding Panda

Year	Total Available Capacity	Less Uncommitted Resources	Plus Additional Committed Resources	Adjusted Available Capacity	Total Peak Demand	Reserve Margin w/o Load Management Percent	Reserve Margin w/o Load Management MW	Firm Peak Demand	Reserve Margin with Load Management Percent	Reserve Margin with Load Management MW
2003/04	47,213	3,217	3,839	47,835	43,726	9.4%	4,109	39,663	20.6%	8,172
2004/05	48,125	4,372	3,839	47,592	44,651	6.6%	2,941	40,566	17.3%	7,026
2005/06	48,776	5,156	3,839	47,459	44,553	6.5%	2,906	41,450	14.5%	6,009
2006/07	50,195	6,581	3,839	47,453	46,600	1.8%	853	42,476	11.7%	4,977
2007/08	51,144	7,545	3,839	47,438	47,502	-0.1%	-64	43,374	9.4%	4,064

Committed Projects Including Panda

Year	Total Available Capacity	Less Uncommitted Resources	Plus Additional Committed Resources	Adjusted Available Capacity	Total Peak Demand	Reserve Margin w/o Load Management Percent	Reserve Margin w/o Load Management MW	Firm Peak Demand	Reserve Margin with Load Management Percent	Reserve Margin with Load Management MW
2003/04	47,213	3,217	6,139	50,135	43,726	14.7%	6,409	39,663	26.4%	10,472
2004/05	48,125	4,372	6,139	49,892	44,651	11.7%	5,241	40,566	23.0%	9,326
2005/06	48,776	5,156	6,139	49,759	44,553	11.7%	5,206	41,450	20.0%	8,309
2006/07	50,195	6,581	6,139	49,753	46,600	6.8%	3,153	42,476	17.1%	7,277
2007/08	51,144	7,545	6,139	49,738	47,502	4.7%	2,236	43,374	14.7%	6,364

NEEDS -D

TABLE 5

**PANDA MIDWAY PROJECT
GENERATING ALTERNATIVES EVALUATED**

GENERATION TECHNOLOGIES CONSIDERED

Combustion Turbine	Not cost-effective based on Florida market projections
Combined Cycle	Selected
Pulverized Coal	Not cost-effective against Combined Cycle
Circulating Fluidized Bed Coal	Not cost-effective against Combined Cycle
Coal Gasification Combined Cycle	Not cost-effective against Combined Cycle
Nuclear	Not cost-effective against Combined Cycle
Gas/Oil Steam	Not cost-effective against Combined Cycle
Waste to Energy	Not cost-effective against Combined Cycle
Other Technologies ⁽¹⁾	Not cost-effective against Combined Cycle

⁽¹⁾ Wind power, fuel cell, solar thermal – parabolic trough, photovoltaics.

Table 6
FRCC
Committed Generating Resources

No.	Utility	Plant Name	(c) Committed Resources ⁽¹⁾	(d) In-Service Year	(e) <u>Seasonal Capacity Rating</u>		(g) Primary Fuel	(h) Secondary Fuel	(i) Full Load Heat Rate (HHV Btu/kWh)	(j) Equivalent Availability Factor (%)	(k) Total Installed Cost ⁽¹⁾ (\$/kW)	(l) Direct Construction Cost ⁽¹⁾ (\$/kW)	(m) Technology Type
					Summer	Winter							
					(MW)	(MW)							
1	Panda	Leesburg	✓	2003	1,100	1,150	Gas	--	6,900 ⁽²⁾	95%	--	335 ⁽³⁾	Combined Cycle
2	Panda	Midway	✓	2003	1,100	1,150	Gas	--	6,900 ⁽²⁾	95%	--	336 ⁽³⁾	Combined Cycle
3	PG&E	Okeechobee	✓	2003	514	561	Gas	FO2	6,775	93%	--	345 ⁽⁴⁾	Combined Cycle
4	Duke	New Smyrna Beach	✓	2002	476	548	Gas	--	6,832	96%	--	311 ⁽⁴⁾	Combined Cycle
5	FPL	Et. Myers Repowering	✓	2002	926 ⁽⁴⁾	1,102 ⁽⁶⁾	Gas	--	7,542 ⁽⁸⁾	96%	541 ⁽⁵⁾	420 ⁽⁵⁾	Combined Cycle/Repower
6	FPL	Sanford Repowering	(10)	2003	927 ⁽⁴⁾	1,101 ⁽⁶⁾	Gas	--	7,542 ⁽⁸⁾	96%	587 ⁽⁵⁾	449 ⁽⁵⁾	Combined Cycle/Repower
7	TALL	Purdum 8	✓	2000	233	262	Gas	FO2	6,940	--	463	434	Combined Cycle
8	FPC	Hines 1	✓	1999	470	505	Gas	FO2	6,962	91%	600 ⁽⁷⁾	--	Combined Cycle
9	FPC	Intercession City 12-14	✓	2000	249	297	Gas	FO2	11,814	91%	--	--	Combustion Turbine
10	GRU	J.R. Kelly 4&8	✓	2001	60 ⁽⁴⁾	60 ⁽⁴⁾	Gas	FO2	7,880	84%	588 ⁽⁵⁾	--	Combined Cycle/Repower
11	SEC	Hardee 3	✓	2002	488	572	Gas	FO2	6,849 ⁽⁸⁾	93%	412	378	Combined Cycle
12	FMFA	Cane Island 3	✓	2001	244	264	Gas	FO2	6,815	92%	449	320	Combined Cycle
13	LAK	McIntosh 5	✓	2002	337	384	Gas	FO2	6,523	91%	671	671	Combined Cycle
14	JEA	Northside 1-2	✓	2002	265	265	PC	Coal	9,946	90%	--	658	CFB Steam/Repower
15	JEA	Kennedy CT 7	✓	2000	149	186	Gas	FO2	11,120	97%	--	261	Combustion Turbine
16	JEA	Brandy Branch CT 1	✓	2001	149	186	Gas	FO2	11,120	97%	--	264	Combustion Turbine

(1) In-service year dollars per kilowatt.

(2) New and clean, most efficient conditions.

(3) Shown in year 2001 dollars per kilowatt.

(4) PG&E Okeechobee and Duke/NSB data based on information from need determination filings, and includes the cost of directly associated transmission lines.

(5) Dollar per kW cost for repowering projects computed based on project costs divided by incremental capacity addition.

(6) Incremental capacity addition.

(7) Cost data for Hines #1 based on projected capital investment of \$300,000,000 and nominal capacity rating of 500 MW, as shown in FPC's 1996 TYSP.

(8) Heat rates reported in utility TYSP's that were adjusted upward by an assumed 11% to account for conversion from low heating value (LHV) to high heating value (HHV).

(9) Committed resources reflect those resources that have received construction or air permitting, or have submitted certificate of need applications prior to Panda's Midway and Leesburg resources.

(10) Reflects repowering of Sanford steam units 3 and 4 as proposed in FPL's 1999 TYSP. Recent information indicates FPL will repower units 4 and 5, which may change capacity rating and per-unit cost.

Sources:

Panda Midway Power Partners, L.L.C., and Panda Leesburg Power Partners, L.L.C.

1999 Ten Year Site Plan Filings (TYSP), Schedule 9.

Okeechobee Generating Company, L.L.C.

Duke Energy Power Services, L.L.C.

Table 7

**Summary of Annual Capacity Factor & Generation
Panda Midway Project**

Base Case (Committed Resources)

Year	Capacity Factor	Generation (GWh)
2003 ⁽¹⁾	77%	4,522
2004	72%	6,304
2005	74%	6,461
2006	75%	6,534
2007	75%	6,613
2008	76%	6,634

Alternative Case (20% Reserve Margin)

Year	Capacity Factor	Generation (GWh)
2003 ⁽¹⁾	77%	4,522
2004	72%	6,304
2005	74%	6,461
2006	75%	6,534
2007	75%	6,598
2008	74%	6,470

(1) Reflects partial year of operation beginning May 1, 2003.

Table 8

FRCC
Summary of Projected Energy Cost Savings
Panda Midway Project
(2000 \$'s)

Base Case (Committed Resources)

Year	FRCC Net Energy For Load (GWh)	Annual Energy Cost Savings (\$000)	Average Wholesale Energy Price Reduction (\$/MWh)
2003 ^[1]	143,034	31,541	0.22
2004	209,492	44,240	0.21
2005	214,094	51,105	0.24
2006	218,611	60,830	0.28
2007	223,179	71,857	0.32
2008	227,645	65,141	0.29
Avg. 2004-08	218,604	58,635	0.27

Alternative Case (20% Reserve Margin)

Year	FRCC Net Energy For Load (GWh)	Annual Energy Cost Savings (\$000)	Average Wholesale Energy Price Reduction (\$/MWh)
2003 ^[1]	143,034	31,541	0.22
2004	209,492	44,240	0.21
2005	214,094	51,105	0.24
2006	218,611	54,414	0.25
2007	223,179	51,636	0.23
2008	227,645	40,202	0.18
Avg. 2004-08	218,604	48,319	0.22

[1] Reflect savings from a partial year of operation beginning May 1, 2003.

Table 9

FRCC
Summary of Projected Fuel Savings
Panda Midway Project

Base Case (Committed Resources)

Year	Project Operation			Displaced Fuel in FRCC					Avg. Oper. Heat Rate (Btu/kwh)	Net Fuel Savings (GBtus)
	Generation (GWh)	Operating Heat Rate (Btu/kWh)	Fuel Cons. (GBtus)	Natural Gas (GBtus)	Heavy Oil (GBtus)	Light Oil (GBtus)	Other (GBtus)	Total (GBtus)		
2003 ^[1]	4,522	7,176	32,451	(30,885)	(10,809)	(451)	(1,553)	(43,698)	9,664	(11,247)
2004	6,304	7,185	45,290	(42,435)	(15,718)	(984)	(1,257)	(60,394)	9,581	(15,103)
2005	6,461	7,190	46,460	(44,174)	(15,943)	(1,390)	(958)	(62,464)	9,667	(16,005)
2006	6,534	7,190	46,975	(45,360)	(15,139)	(2,115)	(1,495)	(64,108)	9,812	(17,134)
2007	6,613	7,184	47,510	(45,470)	(14,781)	(3,312)	(1,741)	(65,305)	9,875	(17,795)
2008	6,634	7,188	47,689	(46,348)	(14,171)	(2,920)	(1,970)	(65,408)	9,859	(17,719)
Avg. 2004-08	6,509	7,187	46,785	(44,758)	(15,150)	(2,144)	(1,484)	(63,536)	9,760	(16,751)

Alternative Case (20% Reserve Margin)

Year	Project Operation			Displaced Fuel in FRCC					Avg. Oper. Heat Rate (Btu/kwh)	Net Fuel Savings (GBtus)
	Generation (GWh)	Operating Heat Rate (Btu/kWh)	Fuel Cons. (GBtus)	Natural Gas (GBtus)	Heavy Oil (GBtus)	Light Oil (GBtus)	Other (GBtus)	Total (GBtus)		
2003 ^[1]	4,522	7,176	32,451	(30,885)	(10,809)	(451)	(1,553)	(43,698)	9,664	(11,247)
2004	6,304	7,185	45,290	(42,435)	(15,718)	(984)	(1,257)	(60,394)	9,581	(15,103)
2005	6,461	7,190	46,460	(44,174)	(15,943)	(1,390)	(958)	(62,464)	9,667	(16,005)
2006	6,534	7,193	46,997	(44,992)	(15,010)	(1,730)	(1,644)	(63,376)	9,699	(16,379)
2007	6,598	7,188	47,425	(45,325)	(14,551)	(1,606)	(1,617)	(63,099)	9,564	(15,674)
2008	6,470	7,205	46,617	(42,506)	(15,649)	(1,026)	(1,667)	(60,848)	9,404	(14,232)
Avg. 2004-08	6,473	7,192	46,558	(43,887)	(15,374)	(1,347)	(1,429)	(62,036)	9,585	(15,478)

[1] Reflect savings from a partial year of operation beginning May 1, 2003.

CONSISTENCY OF THE PANDA MIDWAY POWER PROJECT WITH THE POWER SUPPLY NEED OF PENINSULAR FLORIDA

The Panda Midway Power Project (the "Project") will provide total net generation capability of 1,100 MW in the summer and 1,150 MW in the winter. This additional capacity will increase the reliability of power supply in Peninsular Florida.

A. Power Supply Needs of Peninsular Florida

The Project will provide reliable and cost-effective power to other utilities that provide retail service in Peninsular Florida. By the recent Order (PSC-99-2507-S-EU) the Public Service Commission, FPL, FPC and TECO agreed to achieve a planned twenty percent reserve margin by the summer of 2004. Peninsular Florida needs over 8,000 MW of new installed capacity in order to maintain reserve margins (with the exercise of load management and interruptible resources) above 20 percent through the winter of 2007-2008. The Project will contribute meaningfully to Peninsular Florida's summer and winter reserve margins and to cost-effective power supply.

According to the 1999 Regional Load and Resource Plan, dated July, 1999, prepared by the Florida Reliability Coordinating Council (the "FRCC 1999 Regional Plan"), without the Project, Peninsular Florida's summer reserve margins in 2003 through 2008 will range from 11.8 percent to 9.0 percent, without exercising load management and interruptible capabilities. Similarly, based on data presented in the FRCC 1999 Regional Plan, without the Project, Peninsular Florida's winter reserve-margins in 2003/04 through 2007/08 are projected to be between approximately 9.5 percent and 7.7 percent, without exercising load management and interruptible capabilities.

Included in the FRCC 1999 Regional Plan are reported generating projects that are in the early planning stages (i.e., neither construction nor air quality permits have been approved, or an application for a certificate of need was not filed prior to the filing for the Project) (the "Uncommitted Resources"). On the other hand there are a number of generating projects that were not included in the FRCC 1999 Regional Plan and that have either (i) submitted an application for certificate of need prior to the Project, or (ii) do not require a certificate of need and have approved construction and/or air quality permits (the "Additional Committed Resources"). For purposes of this analysis, both the Project and the Panda Leesburg Project, a similar project to be located in Leesburg, Florida (the "Projects") are included as Additional Committed Resources. Tables 1 and 2 (Exhibits __ and __) provide a tabulation of Uncommitted Resources and Additional Committed Resources at the time of the summer and winter peak for years 2003 through 2008.

When the Uncommitted Resources are removed from the FRCC 1999 Regional Plan and the Additional Committed Resources are added, the resulting FRCC capacity, load and reserve margins for the summer and winter peak are shown on Tables 3 and 4 (Exhibits __ and __), respectively. As shown, with these adjustments and without the Projects, the summer reserve margin without load management ranges from approximately 14.2 percent to 1.9 percent and the winter reserve margin without load management ranges from 9.4 percent to a supply deficiency below projected load of 0.1 percent (-0.1 percent reserve margin). With load management and interruptible capabilities, the summer reserve margin ranges from approximately 22.8 percent to 8.8 percent and the winter reserve margin ranges from 20.6 percent to 9.4 percent. With both Projects, the FRCC summer reserve margin will increase by approximately 5.9 percent to 5.3 percent and the winter reserve margin will increase by approximately 5.8 percent to 5.3 percent. The average increase in both summer and winter reserve

margins associated with each Project is approximately 2.8 percent over the 2003 to 2008 period.

B. Strategic Considerations

The Project is consistent with strategic factors that may be considered when determining to build a power plant in Florida, both from the perspective of Panda Midway and from the perspective of the State. The Project will be fueled by domestically produced natural gas rather than by an imported fuel that may be subject to interruption due to political or other events. The Project has a low installed cost and a highly efficient heat rate, assuring its long-term economic viability. The Project's gas-fired combined cycle technology is environmentally clean, minimizing potential risks associated with future changes in environmental regulations. The Project's efficient technology and use of clean, natural gas fuel will improve the overall environmental profile of electricity generation in Florida. The Project will also contribute to reducing the consumption of petroleum fuels for electricity generation in Florida.

COST-EFFECTIVENESS OF THE PANDA MIDWAY POWER PROJECT

The Project is the most cost-effective alternative available to Panda Midway for meeting potential wholesale supply commitments.

A. Cost-Effectiveness of the Project to Panda Midway

The Project represents the most cost-effective technology available to Panda Midway for meeting potential wholesale power sales. Table 5 (Exhibit __) shows the generating technologies screened by Panda Midway. The economic screening considered gas- and oil-fired combustion turbines, gas- and oil-fired combined

cycle units, gas and oil-fired steam generation units, pulverized coal steam units, circulating fluidized bed steam units, integrated coal gasification combined cycle ("IGCC") units, nuclear units, waste-to-energy technologies, and other technologies. This screening clearly indicates that the economic choice for Panda Midway is gas-fired combined cycle capacity. This is borne out by the fact that other Florida utilities are planning to add similar type resources and by the fact that this type of generating resource is the technology-of-choice for the majority of new power plant capacity planned in the U.S.

B. Cost-Effectiveness of the Project to Peninsular Florida

The cost and efficiency of the Project compare favorably to other gas-fired combined cycle generating units planned or proposed by other utilities in the FRCC. Table 6 (Exhibit __), which presents data from utility FRCC Ten Year Site Plan filings and other published sources, shows that of all the Committed gas-fired combined cycle power plants proposed by Peninsular Florida utilities, only the Cane Island 3 unit, a joint project of the Florida Municipal Power Agency and the Kissimmee Utilities Authority, the Duke New Smyrna Project, the PG&E Okeechobee Project, and the Seminole Electric Cooperative, Inc. Hardee 3 Project are expected to have direct construction costs and heat rates that are comparable to that of the Project. The other combined cycle power plants reflect direct construction costs, on a dollars-per-kW basis, greater than that of the Project, with generally comparable heat rates.

To evaluate the economic benefit of the Project to Peninsular Florida, an analyses of Project operations was prepared for Panda Midway by R. W. Beck, Inc. ("R. W. Beck") using the generation production and transmission simulation model *Prosym*[™] and a database of resources and load requirements maintained by R. W. Beck. R. W. Beck is a nationally recognized, multi-disciplined management and engineering consulting firm headquartered in Seattle, Washington, with

seventeen offices located in fourteen states throughout the U.S., including an office located in Orlando, Florida that has been providing consulting services to utilities in the Southeast U.S. for thirty-five years.

The generation production and transmission simulation model developed by R. W. Beck, is a multi-regional model of the southeast area of the North American Electric Reliability Council ("NERC"). The model includes each of the major regions or sub-regions comprising the southeast area of NERC — namely, the Florida Reliability Coordinating Council ("FRCC") and the Southern, TVA, VACAR and Entergy Sub-regions of the Southeastern Electric Reliability Council ("SERC"). The model incorporates a representation of the electricity systems throughout the area that includes generation, transmission, fuels and loads.

Public sources of information and documents relating to generation characteristics, such as the FRCC 1999 Regional Plan and the 1999 SERC Regional Electricity Supply and Demand Projections (EIA-411), were used to establish the characteristics of generating resources modeled in the analysis. Transmission system characteristics were obtained from public documents such as the EIA-715 filings made by electric utilities to the U.S. Energy Information Administration ("EIA") and the contract between Florida Power & Light, Florida Power Corporation, Jacksonville Electric Authority and the City of Tallahassee, Florida regarding the contractually limited capability of the transmission system interface between the FRCC and the Southern Company systems. System loads were obtained from public utility filings such as the EIA-714 and proprietary databases leased by R. W. Beck. Projected fuel costs used in the model were developed from the Annual Energy Outlook 2000 published by the EIA.

R. W. Beck prepared two cases to analyze the benefits of the Project over a 2003 through 2008 study period. The first case — the Base Case — was prepared assuming generating expansion in the FRCC included the Projects and other

Committed Resources. The second case — the Alternative Case — was prepared assuming generating expansion in the FRCC included the Projects, the other Committed Resources, and sufficient combined cycle resources to maintain a minimum winter reserve margin of 20 percent.

Based on an energy cost dispatch analyses prepared by R. W. Beck, the Project is expected to operate at capacity factors ranging from approximately 72 percent in 2004, the first full year of operation, to approximately 76 percent in 2008 and between 6,300 and 6,600 GWh per year of net generation (see Table 7 (Exhibit __)). The primary market for power produced by the Project is wholesale sales to other utilities in Peninsular Florida. The analyses prepared by R. W. Beck indicate that virtually all (more than 99 percent) of sales from the Project over the 2003-2008 period are expected to be to other utilities in Peninsular Florida (i.e., within the FRCC region).

Finally, the presence and operation of the Project is projected to have the effect of reducing wholesale energy costs in Peninsular Florida. The analysis prepared by R. W. Beck indicates that each of the Projects is projected to reduce wholesale energy costs in the FRCC on the average of \$48 to \$59 million dollars per year, in year 2000 dollars, over the period 2004 through 2008 (see Table 8 (Exhibit __)). The lower of these average annual savings projections assumes that future generating units are installed in the FRCC, which together with the Projects result in the FRCC maintaining a minimum winter reserve margin of 20 percent. The higher of these average annual savings projections is based on generating expansion plans that include only Committed Resources and the Projects.

CONSEQUENCES OF DELAY OF THE PANDA MIDWAY POWER PROJECT

Delaying the construction and operation of the Project in the amount and time sought will adversely affect the reliability of the Peninsular Florida bulk power supply system, will adversely affect the availability of adequate electricity at a reasonable cost, and will adversely affect the environment of Florida.

A. Reliability Consequences of Delay

The Project will be a highly reliable and highly efficient gas-fired combined cycle power plant using proven, state-of-the-art technology. The high reliability typically experienced by combined cycle resources, like the Project, assures its contributions to improving the reserve margins and reliability of the Peninsular Florida power supply system. Tables 3 and 4 (Exhibits __ and __) show that the Project will improve Peninsular Florida's summer and winter reserve margins by approximately 2.9 to 2.7 percent beginning with the Project's in-service date in 2003 and continuing throughout the period covered in the FRCC 1999 Regional Plan.

The presence of this additional capacity (1,100 MW summer and 1,150 MW winter) will improve reliability and reduce Peninsular Florida's exposure to outages due to extreme weather or unanticipated events such as major generation outages. The presence of this capacity will mean that, in an extreme event, approximately 1,100 to 1,150 MW of load will be served that would not otherwise be served. In other words, the Project would enable Florida's retail-serving utilities to maintain service to an additional 180,000 to 230,000 residential customers during such conditions (at a coincident peak demand of 5 kW to 6 kW per household).

If the Project is not constructed and brought into commercial operation in 2003 as planned and sought by Panda Midway, these reliability benefits will be lost and Peninsular Florida electric customers will be exposed to a greater probability of service interruption than they would experience if the Project were built as planned.

B. Power Supply Cost Consequences of Delay

The Project is a proven, highly reliable and highly efficient gas-fired combined cycle power plant. The Project's high efficiency assures its contribution to reducing wholesale power supply costs in Peninsular Florida. The presence of the Project will reduce wholesale energy costs, to at least some degree, in Peninsular Florida. This is the simple economic result of an increase in efficient generation, which displaces higher cost resources and imported energy. Moreover, the Project will provide real, tangible economic benefits through real reductions in the amount of primary fuels used to generate the same amounts of electricity to Florida by virtue of the Project's more efficient use of fuel.

If the Project is not constructed and brought into commercial operation in 2003 as planned and sought by Panda Midway, these economic benefits will be lost and wholesale energy costs in Peninsular Florida will be higher than if the Project were built.

C. Environmental Consequences of Delay

The Project is a high-efficiency, state-of-the-art, gas-fired combined cycle electric generating plant. Because of its high efficiency and natural gas fuel supply, the Project will have a relatively benign environmental profile. The Project will displace production from older, less efficient and generally more pollution-intensive power plants (e.g., less efficient steam and combined cycle

generating plants fired by oil or natural gas and combustion turbine plants fired by oil or natural gas). This displacement will result in savings in primary fuel consumption for electricity generation and will also result in reduced environmental emissions from power production in Florida.

The projections prepared by R. W. Beck for Panda Midway indicate that the Project's power output will predominantly displace production from older steam generating units fired by heavy fuel oil and natural gas, less efficient combined cycle resources fired by natural gas, and peaking resources fired by natural gas and fuel oil, which are projected to have a combined average heat rate of approximately 9,800 Btu per kWh. Assuming all generation from the Project remains within the FRCC, annual fuel usage in the FRCC is projected to be reduced by an average of approximately 16,800,000 MMBtu per year as a direct result of the Project, with most of this reduction resulting from reduced usage of heavy fuel oil (see Table 9 (Exhibit __)).

Based on the projected dispatch of the Project and other generation resources within the FRCC, the overall environmental profile of electricity generation in FRCC is expected to improve. The Project's output is projected to displace generation using heavy fuel oil, light fuel oil and natural gas. Reductions in heavy oil will result in reductions in emissions of sulfur dioxide, nitrogen oxides, particulate matter and carbon monoxide. Even when the Project displaces gas-fired generation, there will still be reductions in emissions due to the Project's more efficient use of natural gas caused by the more efficient heat rate of the Project.

If the Project is not constructed and brought into commercial operation in 2003 as planned and sought by Panda Midway, these environmental benefits will be lost and pollution from electric generation in Florida will be greater than it would otherwise be if the Project were built.

UNITED STATES OF AMERICA
FEDERAL REGULATORY COMMISSION

Panda Midway Power Partners, L.P.

Docket No. EG00-88-000

NOTICE OF APPLICATION FOR COMMISSION DETERMINATION
OF EXEMPT WHOLESALE GENERATOR STATUS

(February 3, 2000)

Take notice that on January 28, 2000, Panda Midway Power Partners, L.P. (Panda), with its principal offices at 4100 Spring Valley Road, Suite 1001, Dallas, Texas 75244, filed with the Federal Energy Regulatory Commission, an application for determination of exempt wholesale generator status pursuant to Section 32 of the Public Utility Holding Company Act of 1935, as amended, and Part 365 of the Commission's regulations.

Panda is a Delaware limited partnership, which will construct, own and operate a nominal 1,000 MW natural gas-fired generating facility within the region governed by the Florida Reliability Coordinating Council and sell electricity at wholesale.

Any person desiring to be heard concerning the application for exempt wholesale generator status should file a motion to intervene or comments with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). The Commission will limit its consideration of comments to those that concern the adequacy or accuracy of the application. All such motions and comments should be filed on or before February 24, 2000, and must be served on the applicant. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection or on the Internet at <http://www.ferc.fed.us/online/rims.htm> (please call (202)208-2222 for assistance).

David P. Boergers
Secretary

APPENDIX -A

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

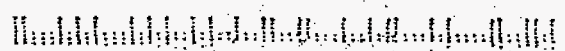
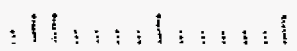
OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

EG00-88
William M Lamb Esquire
Panda Energy International, Inc.
Suite 1001
4100 Spring Valley Road
Dallas, TX 75244



U.S. OFFICIAL MAIL

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**PANDA MIDWAY POWER
PARTNERS, L.P.**



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FEDERAL ENERGY
REGULATORY
COMMISSION

January 24, 2000

Honorable David P. Boergers
Secretary
Federal Energy Regulatory Commission
888 - 1st Street, NE
Dockets Room 1A
Washington, DC 20426

**RE: Application for Determination of Exempt Wholesale Generator
Status for Panda Midway Power Partners, L.P.,
Docket No. EG00 - _____**

Dear Mr. Boergers:

Enclosed please find the Application for Exempt Wholesale Generator Status of Panda Midway Power Partners, L.P. ("Panda"), pursuant to Section 32 of the Public Utility Holding Company Act of 1935, as amended, and Part 365 of the Commission's regulations.

Panda was formed to develop, construct, own and operate a proposed generating facility to be located in St. Lucie County, Florida, in the region governed by the Florida Reliability Coordinating Council ("FRCC"). The Project Company, Panda, will be the owner and operator of the Project and will sell electricity at wholesale. Panda files this application to obtain status as an EWG.

Also enclosed is a diskette containing a draft Notice of Filing suitable for publication in the Federal Register. Panda will sell electricity at wholesale and will not become an electric utility company as defined in Section 2(a)(3) of the Public Utility Holding Company Act.

Copies of this filing have been served upon the Securities and Exchange Commission and the Florida Public Service Commission, which is the only affected state commission as defined in Section 365.2 of the Commission's regulations (18 C.F.R. § 365.2 (b)(3)).

4100 Spring Valley Road, Suite 1001, Dallas, Texas 75244
PHONE - 972/980-7159 FAX - 972/980-6815

To: Mr. David P. Boergers
January 24, 2000
Page 2

If there are any questions concerning this filing, please contact the undersigned at
(972) 980-7159.

Sincerely,



William M. Lamb,
Attorney for Panda Midway Power Partners, L.P.

WML/cg
Enclosures

/cc: Steve Crain, Panda Energy International, Inc.

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Panda Midway Power Partners, L.P.

)
)
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Docket No. EG 00-_____ -000

**APPLICATION FOR DETERMINATION OF
EXEMPT WHOLESALE GENERATOR STATUS**

Pursuant to Section 32 of the Public Utility Holding Company Act of 1935, as amended ("PUHCA"), 15 U.S.C. §79z-5a. and Part 365 of the Commission's regulations, 18 C.F.R. Part 365, Panda Midway Power Partners, L.P., ("Panda" or the "Applicant") hereby applies for a determination that it is an exempt wholesale generator ("EWG").

I. Name and Address of Applicant and Communications

The exact name, address and principal executive office of the Applicant are: Panda Midway Power Partners, L.P., 4100 Spring Valley Road, Suite 1001, Dallas, Texas 75244. All communications regarding this application should be directed to the following persons:

William M. Lamb
Assistant General Counsel
Panda Energy International, Inc.
4100 Spring Valley Road, Ste. 1001
Dallas, TX 75244
Tel.: (972) 980-7159
Fax: (972) 980-6815

II. Information Required by the Commission's Regulations

In support of this application, Panda provides the following information in accordance with Section 32 of PUHCA and Section 365.3 of the Commission's regulations, and affirms such statements in the sworn affidavits attached hereto:

1. Panda will be engaged directly and exclusively in the business of owning and/or operating all or part of one or more eligible facilities and selling electricity at wholesale. Panda, a Delaware limited partnership, will develop, construct, own, operate and maintain an electric generating facility ("Eligible Facility") as an EWG under Section 32 of PUHCA. The general partner of Panda is Panda Midway Power I, LLC, a Delaware limited liability company, and the limited partner is Panda Midway Power II, LLC, a Delaware limited liability company. Panda Midway Power I, LLC, and Panda Midway Power II, LLC, are the sole owners of Panda.

2. Panda will not sell electricity at retail to any customer within the United States or any foreign country.

3. The Eligible Facility will be a nominal 1,000 MW natural gas-fired combined cycle generating facility consisting of four GE Type 7 FA or equivalent combustion turbines. It will be constructed and installed in St. Lucie County, Florida, in the region governed by the Florida Reliability Coordinating Council ("FRCC"). The Eligible Facility is expected to commence service of 1,000 MW in May, 2003. The Eligible Facility will be operated as a combined cycle merchant plant. All of the electricity generated by the Eligible Facility will be sold at wholesale to one or more power marketers, utilities, cooperatives or other entities. The Eligible Facility, therefore, will be an eligible facility as defined in Section 32(a)(2) of PUHCA.

4. The Eligible Facility includes certain interconnection facilities necessary to effect the sale of electric energy at wholesale. These facilities include switches, revenue meters, circuit breakers, transformers, breaker and substation located at the Eligible Facility site which are necessary to connect the Eligible Facility to the 230 and/or 500 kV grid. Panda may own some or all of these interconnection facilities. Panda will have no transmission or distribution facilities

other than these interconnection facilities necessary to effect delivery of power to Florida Power Corporation.

5. There are no lease arrangements involving the Eligible Facility and specifically, no portion of the Eligible Facility will be leased to any public utility company.

6. No "electric utility company" as defined in Section 2(a)(3) of PUHCA, is an "associate company" or "affiliate" of Panda, as those terms are defined in Sections 2(a)(10) and 2(a)(11) of PUHCA, respectively.

7. The Eligible Project has not yet been constructed. Hence, no rate or charge for or in connection with the construction of the Eligible Project or for electric energy produced by the Project ever has been in effect under the laws of any state. Accordingly, Panda does not require a determination of facility eligibility by any state commission under Section 32(c) of PUCHA in order to be classified as an EWG. However, Panda will be required to obtain an affirmative need determination for the Eligible Facility from the Florida Public Service Commission ("FPSC") in accordance with the Florida Electrical Power Plant Siting Act, Sections 403.501-403.518, Florida Statutes and FPSC Rules 25-22.037 and 25-22.080, Florida Administrative Code.

8. No portion of the Eligible Project will be owned or operated by any "electric utility company" that is an "affiliate" or "associate company" of Panda, as those terms are defined in PUCHA.

9. A copy of this application is being served on the Secretary of the Securities and Exchange Commission, and upon the Florida Public Service Commission, which is the only affected state commission as defined in Section 365.2(b)(3) of the Commission's regulations.

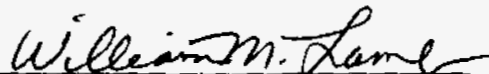
10. A Notice of Application suitable for publication in the Federal Register is attached hereto. Enclosed is a 3.5 inch diskette containing the Notice of Application.

11. Panda will not become an "electric utility company" within the meaning of PUCHA but will, upon the sale of electric energy at wholesale, become a "public utility company" within the meaning of the Federal Power Act.

III. Conclusion

Based on the foregoing facts and representations, Panda Midway Power Partners, L.P. respectfully requests the Commission to determine that it is an exempt wholesale generator.

Respectfully submitted,



William M. Lamb
Panda Energy International, Inc.
4100 Spring Valley Road, Ste. 1001
Dallas, TX 75244
Tel: (972) 980-7159
Fax: (972) 980-6815

Attorney for Panda Midway Power Partners, L.P.

VERIFICATION

I, Steven W. Crain, being duly sworn, hereby attest: that I am a representative legally authorized to bind Panda Midway Power Partners, L.P.; that I have read the foregoing Application for Determination of Exempt Wholesale Generator Status and I am familiar with the contents thereof; and that the statements contained therein are true and correct to the best of my knowledge, information and belief.

PANDA MIDWAY POWER PARTNERS, L.P.
By: Panda Midway Power I, LLC,
Its General Partner

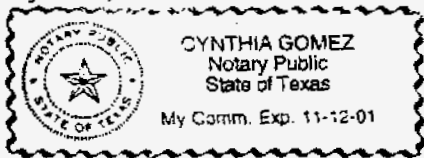
By: Steven W. Cosin
Name: Steven W. Cosin
Title: VP - Merchant Plant Development

STATE OF TEXAS)
)
COUNTY OF DALLAS)

Sworn and subscribed to before me this 21th day of January 2000.

Cynthia Gomez
Notary Public

My Commission Expires: 11-12-01
(Notary Seal)



**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL REGULATORY COMMISSION**

Panda Midway Power Partners, L.P.)
)
)
)

Docket No. EG 00-_____ -000

**NOTICE OF APPLICATION FOR DETERMINATION
OF EXEMPT WHOLESALE GENERATOR STATUS**

On _____, Panda Midway Power Partners, L.P. ("Panda"), with its principal offices at 4100 Spring Valley Road, Suite 1001, Dallas, Texas 75244, filed with the Federal Energy Regulatory Commission, an application for determination of exempt wholesale generator status pursuant to Section 32 of the Public Utility Holding Company Act of 1935, as amended, and Part 365 of the Commission's regulations.

Panda is a Delaware limited partnership, which will construct, own and operate a nominal 1000 MW natural gas-fired generating facility within the region governed by the Florida Reliability Coordinating Council ("FRCC") and sell electricity at wholesale.

Any person desiring to be heard concerning the application for exempt wholesale generator status should file a motion to intervene or comments with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with §§385.211 and 385.214 of the Commission's Rules of Practice and Procedure. The Commission will limit its consideration of comments to those that concern the adequacy or accuracy of the application. All such motions and comments should be filed on or before _____, and must be served on the applicant. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Dave P. Boegers
Secretary

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document, by first-class mail, upon the Securities and Exchange Commission, and the Florida Public Service Commission.

Dated at Washington, D.C. this 28th day of January, 2000.



William M. Lamb
Panda Energy International, Inc.
4100 Spring Valley Road, Ste. 1001
Dallas, TX 75244
Tel.: (972) 980-7159
Fax: (972) 980-6815

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

FILED
OFFICE OF THE SECRETARY
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FEDERAL ENERGY
REGULATORY COMMISSION

PANDA MIDWAY POWER PARTNERS, L.P.)

DOCKET NO. ER00- - 000

**APPLICATION OF PANDA MIDWAY POWER PARTNERS, L.P.
FOR BLANKET AUTHORIZATIONS, CERTAIN WAIVERS,
AND ORDER APPROVING RATE SCHEDULE**

Pursuant to Rule 205 of the Commission's Rules of Practice and Procedure, Panda Midway Power Partners, L.P. (Panda Midway) hereby files the attached initial tariff sheet and requests that the Commission: (i) accept and approve such initial sheet as Panda Midway's FERC Electric Rate Schedule No. 1, to be effective no later than sixty days from the date of this filing; (ii) grant blanket authorization for Panda Midway to make wholesale sales of electric power in interstate commerce at rates to be negotiated with the purchaser; (iii) grant blanket authorization for Panda Midway to assign transmission capacity; (iv) grant blanket authorization for Panda Midway to buy and sell firm transmission rights (FTR's); (v) waive the cost of service filing requirements of 18 C.F.R. § 35.12; and (vi) grant such other waivers and authorizations as have been granted to other power marketers in similar circumstances.

**I.
COMMUNICATIONS**

Communications regarding this application should be addressed to the following persons:

Douglas F. John
JOHN & HENGERER
1200 17th Street, N.W.
Suite 600
Washington, D.C. 20036-3006
Telephone: 202-429-8801
Facsimile: 202-429-8805
E-mail: djohn@jhenergy.com

William M. Lamb
Assistant General Counsel
Panda Energy International, Inc.
4100 Spring Valley Road
Suite 1001
Dallas, Texas 75244
Telephone: 972-980-7159
Facsimile: 972-980-6815

II. DESCRIPTION OF APPLICANT

Panda Midway is a Delaware limited partnership, with its principal place of business in Dallas, Texas. The general partner of Panda Midway is Panda Midway Power I, LLC, a Delaware limited liability company, and the limited partner of Panda Midway is Panda Midway Power II, LLC, also a Delaware limited liability company. Both are wholly-owned by Panda Energy International, Inc., a Texas corporation (Panda Energy).

Panda Midway is in the process of developing a natural gas-fired electric generation facility in St. Lucie County, Florida (the Facility). Panda Midway has applied for designation as an Exempt Wholesale Generator (EWG) by the Commission within the meaning of Section 32 of the Public Utility Holding Company Act with respect to the Facility.¹ When fully operational in 2003, the Facility will generate approximately 1,000 megawatts (MW) of electric power. Panda Midway will operate the Facility as a merchant plant, and intends to tender the output of the Facility into the Florida inter-connected high-voltage grid.

The Facility is the only generation facility to be owned by Panda Midway. Panda Energy does, however, through subsidiaries, own other independent electric generation facilities in the U.S., as well as in Nepal and China. In the U.S., Panda Energy owns two gas-fired qualifying cogeneration facilities, Panda-Brandywine in Maryland, and Panda-Rosemary in North Carolina. Panda Energy is also in the process of developing several gas-fired merchant plants to be located within the Electric Reliability Council of Texas (ERCOT), for each of which Panda Energy has secured or requested an Exempt Wholesale Generator determination.² More recently, Panda

¹ Panda Leesburg's application was filed January 28, 2000, and is docketed at EG00-88-000.

² *Panda Paris Power, L.P.*, 84 FERC ¶ 62,179 (1998); 85 FERC ¶ 62,099 (1998); *Panda Guadalupe Power, L.P.*, 84 FERC ¶ 62,180 (1998); *Odessa-Ector Power Partners, L.P.*, 89 (continued...)

Energy has, through other wholly-owned subsidiaries, received or applied for EWG status for a planned project in Arkansas,³ a planned project in Arizona,⁴ another planned project in Florida,⁵ and a planned project in Pennsylvania.⁶

Panda Energy has to date created three subsidiaries whose primary purpose will be to engage in interstate power marketing transactions. Panda Power Corporation was formed primarily to facilitate the remarketing of excess power and energy generated by Panda's QF facilities.⁷ Panda Guadalupe Power Marketing, LLC, and Panda Paris Power Marketing, LLC, were formed primarily to facilitate Panda Energy's ability to market power and energy generated by its respectively-named ERCOT EWG facilities to markets outside of ERCOT.⁸ Inasmuch as the initial

(...continued)

FERC ¶ 62,114 (1999), and *Archer Power Partners, L.P.*, 90 FERC ¶ 62,049 (2000). Controlling interest in the Panda Paris project has been sold to FPL Energy Paris GP, Inc., and FPL Energy Paris L.P. L.L.C. The Guadalupe, Odessa-Ector and Archer Power projects are each being developed by a joint venture between Panda Energy and PSE&G Americas.

³ *Union Power Partners, L.P.*, 90 FERC ¶ 62,048 (2000).

⁴ *Panda Gila River L.P.*, Docket No. EG00-84-000, application filed on January 20, 2000.

⁵ *Panda Leesburg Power Partners*, Docket No. EG00-87-000, application filed January 28, 2000.

⁶ *Panda Perkiomen Power, L.P.*, Docket No. EG00-102-000, application filed March 1, 2000.

⁷ The Commission accepted Panda Power Corporation's market-based tariff by letter order issued December 22, 1997 in Docket No. ER98-447-000.

⁸ By single letter order issued September 21, 1998, the Commission accepted market-based tariffs filed by Panda Guadalupe Power Marketing, LLC, in Docket No. ER98-3901-000 and by Panda Paris Power Marketing, L.L.C., in Docket No. ER98-3902-000, respectively.

marketing of the output of these ERCOT facilities does not implicate Commission jurisdiction,⁹ neither EWG corporation was required to seek its own power marketing authorization.

Panda Midway does not and does not intend to own, operate or control any facilities which are used for the transmission of electric power (other than as is necessary to connect its generating plant to the grid), nor is it affiliated with any entity that owns, operates or controls such facilities. Similarly, Panda Midway does not hold a franchise or service territory for the transmission, distribution or sale of electric power, nor is it affiliated with any entity who does.

The only interstate or intrastate natural gas transmission facility owned or to be owned by Panda Midway or any of its affiliates is the Trans-Union Interstate Pipeline, which is the subject of a pending certificate Commission application in Docket No. CP00-47-000.

Neither Panda Midway nor any of its affiliates controls any construction or engineering firms engaged in power plant development, or any generation sites other than those intended to host Panda Energy projects.

III. PROPOSED ELECTRIC POWER TRANSACTIONS

As an EWG located outside of ERCOT, Panda Midway must comply with the requirements of Section 205 of the Federal Power Act in order to market the output of its generation facility, and to undertake certain other activities directly related to that mission. These would include (i) remarketing power and energy that Panda Midway may desire to secure from third-party suppliers to supplement its Facility output; (ii) reassigning from time-to-time firm transmission and ancillary service rights that Panda Midway may contract in order to deliver its Facility output to remote markets or to facilitate delivery of supplies secured from third party suppliers; and (iii) trading firm

⁹ See *Destec Power Services, Inc.*, 72 FERC ¶ 61,277 (1995).

transmission rights (FTR's) that Panda Midway may acquire as a hedge against transmission cost uncertainty.

The electric power sales transactions into which Panda Midway would expect to enter will likely vary in form and substance, and may include (but are not limited to) short (hourly), medium (daily or weekly), and long-term (fixed number of months or years) firm or interruptible capacity and energy or energy-only transactions. Prices for capacity and energy in these sales transactions will be market based.

Panda Midway does not herein request authorization to import and/or export power; authority for any "border-crossing" itself, if sought, will be sought independently.

**IV.
THE COMMISSION SHOULD GRANT BLANKET APPROVAL OF PANDA MIDWAY'S
WHOLESALE SALES OF ELECTRIC POWER AT MARKET-BASED RATES**

The Commission has assumed jurisdiction over marketers to the extent they are engaged in wholesale sales in interstate commerce. In so doing, the Commission has ruled that it has jurisdiction over power marketing activities because a marketer's use of contracts, accounts, and records to facilitate wholesale sales for electric power in interstate commerce falls within the definition of "facilities" used in the sale for resale of electric energy under Section 201(b) of the FPA. Of course, Panda Midway will also, under the authorization sought herein, make sales of power and energy generated at the Facility.

The Commission has, as a matter of course, in a vast number of proceedings to date granted applicant a blanket approval to make wholesale sales at rates negotiated between the applicant and the purchaser. In so doing, the Commission has determined that, in light of each applicant's lack of market power, the market for electric power would best be served by granting power marketers the pricing flexibility they require to operate most effectively in the market. Indeed, the Commission has determined that granting power marketers pricing flexibility permits

them to respond quickly to changing market conditions and to be more effective. "Pricing flexibility," the Commission has stated, "would also help to insure that prices accurately reflect market conditions . . . and would further the Commission's statutory goals of promoting efficiency and coordination."¹⁰

With respect to power marketers generally, the Commission traditionally found there to be a lack of market power when the applicant could show that it:

- neither owns, nor is affiliated with anyone who owns, transmission or distribution facilities,
- neither owns, nor is affiliated with anyone who owns, generation facilities, other than cogeneration or independent power production facilities, the output of which is committed under a firm long-term contract or with respect to which the affiliate has secured market-based rate authority; and
- neither holds, nor is affiliated with anyone who holds, a franchised service territory.¹¹

More recently, the Commission has focused on the emergence of merchant plants, the output of which is intended to be offered into the competitive marketplace generally, and determined that such facilities do not raise generation dominance concerns for purposes of a power marketer analysis.¹² Inasmuch as Panda Energy presently owns no facilities (other than the two

¹⁰ *Citizens Power & Light Company*, 48 FERC ¶ 61,210 at 61,777 (1989).

¹¹ See, e.g., *Chicago Energy Exchange*, 51 FERC ¶ 61,054 at 61,113 (1990); *Citizens Power*, 48 FERC at 61,777; *Nat'l Elec. Assocs., L.P.*, 50 FERC ¶ 61,378 at 62,157 (1990); *Enron Power Marketing*, 65 FERC ¶ 61,305 (1993).

¹² See, e.g., *Kansas City Power & Light Company*, 67 FERC ¶ 61,183 (1994), where the Commission opined:

We conclude that neither KCL&L nor, as discussed below, any other wholesale seller of generation, has market power in generation capacity from new (unbuilt) facilities.

Id. at 61,557.

QF facilities mentioned above, which the Commission has categorically determined do not raise market power concerns¹³) which have yet entered service, this standard is satisfied.

Nor should Panda Midway's affiliation with the proposed Trans-Union pipeline give rise to any market power concerns. Trans-Union, in its certificate application, is requesting that, in light of its pipeline's limited purpose, it not be required to undertake the full range of Part 284 open access requirements. Issue has been joined on that request by at least one intervenor, and the matter will be resolved in that proceeding. Panda Midway submits that there would be no purpose in undertaking a market power analysis of that pipeline in the instant proceeding. Rather, for purposes of this filing, the Commission should find that, as a jurisdictional transmission facility, the Trans-Union pipeline will impart no market power to Panda Midway.¹⁴

In summary, Panda Midway satisfies the relevant criteria for finding a lack of market power. Accordingly, the Commission should grant it the same privileges granted other power marketers, to undertake sales-for-resale in interstate commerce at prices and terms established through bilateral negotiation.

V.
REQUEST FOR BLANKET AUTHORITY
TO REASSIGN TRANSMISSION CAPACITY

Panda Midway requests authority to reassign transmission capacity and associated ancillary service rights. Panda Midway commits that it will reassign such capacity and rights that it has reserved for its own use at a price not to exceed the highest of: (1) the original rate paid by Panda Midway; (2) the applicable transmission provider's or ancillary service provider's maximum stated firm rate on file at the time of the transmission reassignment; or (3) Panda Midway's own

¹³ See *Southern Company Energy Marketing, L.P.*, 81 FERC ¶ 61,009 (1997).

¹⁴ See *Louisville Gas & Electric Company*, 62 FERC ¶ 61,016 (1993). Should any potential Panda Leesburg competitor deem itself to have been subjected to future anticompetitive behavior by Trans-Union, that entity may, of course, file a complaint.

opportunity costs, capped at the applicable transmission provider's cost of expansion at the time of the sale to the eligible customer. In addition, Panda Midway commits not to reassign at a price based on opportunity costs without making a separate filing under section 205 of the FPA, and that, for any such reassignment, the non-rate terms and conditions of the transmission or ancillary service provider's open access tariff will continue to apply. These provisions are consistent with the conditions the Commission has established for reassignment of transmission capacity and associated ancillary services by power marketers generally.¹⁵ The Commission has specifically confirmed that it is permissible for EWG's to engage in such activity.¹⁶

**VI.
REQUEST FOR AUTHORITY TO BUY AND RESELL
FIRM TRANSMISSION RIGHTS**

Panda Midway also requests authority to acquire and, as relevant here, resell firm transmission rights (FTR's), as hedges against transmission congestion and associated costs. This filing is prompted by the Commission's determination in its November 10, 1999 Order in Docket No. ER98-3594-000 [*California Independent System Operator*, 89 FERC ¶ 61,153 (1999)] that the resale of FTR's by public utilities is jurisdictional, such that the Commission "will require all public utility resellers of FTR's to file a rate schedule under Section 205 for authorization to make such resales." (Slip op. at 4). In proposed Section 6 of its revised Rate Schedule No. 1, Panda Midway has tracked the conditions which the Commission in that order indicates must be attached to such resales.

Panda Midway does not presently hold any FTR's on any transmission grid. However, Panda Midway desires to be able to participate fully in the energy marketplace, and to that end anticipates a future interest in buying and reselling FTR's (or their functional equivalents) as they

¹⁵ See, e.g., *Enron Power Marketing*, 81 FERC ¶ 61,277 at 62,391-92 (1997).

¹⁶ See *LG&E Power Marketing, Inc.*, 67 FERC ¶ 61,083 (1994); *CNG Power Services Corporation*, 71 FERC ¶ 61,026 (1995).

become available on a number of transmission systems. Panda Midway has accordingly structured the scope of the instant to apply for FTR's generically. The Commission has accepted virtually identical language into the tariffs of other market-based power marketers.¹⁷

VII. OTHER REQUESTED WAIVERS AND DETERMINATIONS

The Commission, in the cases cited above, among others, has granted the following waivers, authorizations, and jurisdictional determinations:

- ▶ a waiver of the accounting and other requirements of Parts 41, 101, and 141 of the Commission's regulations,
- ▶ permission to file an abbreviated statement with respect to Parts 45 and 46 of the Commission's regulations,
- ▶ a waiver of the reporting requirements of Subparts B and C of Part 35,
- ▶ blanket authorization under Part 34 of all future issuances of securities and assumption of liability, and
- ▶ blanket approval of facilities dispositions under Section 203 of the Federal Power Act (for marketer facilities not involved in the transmission and sale for resale of electric energy in interstate commerce).

As recognized implicitly in these orders, these regulatory standards and reporting requirements are designed for entities holding substantial market power through their ownership of traditional utility facilities. In turn, the Commission has waived these standards and reporting requirements with respect to power marketers. Panda Midway requests that the Commission grant these same waivers (and any others now customarily granted electric power marketers) in this proceeding.

Panda Midway will commit to file, on a quarterly basis, the informational filings commonly required of other power marketers.¹⁸

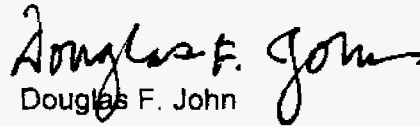
¹⁷ See, e.g., *Merrill Lynch Capital Services, Inc.*, Docket No. ER00-740-000 (Letter Order issued January 11, 2000).

¹⁸ See, e.g., *Morgan Stanley Capital Group, Inc.*, 69 FERC ¶ 61,175, Docket No. ER94-1384-000 (1994).

**VIII.
CONCLUSION**

WHEREFORE, for the foregoing reasons, Panda Midway requests the Commission's grant of the authorizations and waivers sought herein.

Respectfully submitted,


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Dated this 3rd day of March 2000, at Washington, D.C.

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

PANDA MIDWAY POWER PARTNERS, L.P.)

DOCKET NO. ER00- - 000

**NOTICE OF FILING
(, 2000)**

Take notice that on March 3, 2000, Panda Midway Power Partners, L.P. (Panda Midway), tendered for filing pursuant to Rule 205, 18 C.F.R. § 385.205, a petition for waivers and blanket approvals under various regulations of the Commission and for an order accepting its FERC Electric Rate Schedule No. 1, and for the purpose of permitting Panda Midway to assign transmission capacity and to resell Firm Transmission Rights, to be effective no later than sixty (60) days from the date of its filing.

Panda Midway intends to engage in electric power and energy transactions as a marketer and a broker. In transactions where Panda Midway sells electric energy, it proposes to make such sales on rates, terms, and conditions to be mutually agreed to with the purchasing party. Neither Panda Midway nor any of its affiliates is in the business of transmitting or distributing electric power.

Rate Schedule No. 1 provides for the sale of energy and capacity at agreed prices.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 (18 C.F.R. §§ 385.211 and 385.214). All such motions or protests should be filed on or before _____, 2000. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

David P. Boergers
Secretary

**PANDA MIDWAY POWER PARTNERS, L.P.
FERC ELECTRIC RATE SCHEDULE NO. 1**

1. **Availability.** Panda Midway Power Partners, L.P. ("Seller") makes electric energy and capacity available under this Rate Schedule for wholesale sales to any purchaser with whom Seller has contracted.
2. **Applicability.** This Rate Schedule is applicable to all sales of electric energy or capacity by Seller not otherwise subject to a particular Rate Schedule of Seller.
3. **Rates.** All sales shall be made at rates established by agreement between the Seller and the purchaser.
4. **Other Terms and Conditions.** All other terms and conditions of sale shall be established by agreement between purchaser and Seller.
5. **Transmission Capacity Reassignment.** Seller may reassign transmission capacity that it has reserved for its own use at a price not to exceed the highest of: i) the original transmission rate paid by Seller; (ii) the applicable transmission providers maximum stated firm transmission rate on file at the time of the transmission reassignment; or (iii) Seller's own opportunity costs, capped at the applicable transmission provider's cost of expansion at the time of the sale to the eligible customer. Seller will not recover opportunity costs in connection with reassignments without making a separate filing under Section 205 of the FPA. Except for the price, the terms and conditions under which the reassignment is made shall be the terms and conditions governing the original grant by the transmission provider. Transmission capacity may only be reassigned to a customer eligible to take service under the transmission provider's open access transmission tariff or other transmission rate schedules. Seller will report the name of the assignee in its quarterly reports.
6. **Resale of Firm Transmission Rights.** Seller may resell Firm Transmission Rights (FTR's), whether financial or physical in nature, that it has acquired for its own benefit at a price not to exceed any caps imposed by the Commission in its orders authorizing the issuance of such FTR's. Except for the price, the terms and conditions under which the resale is made shall be the terms and conditions governing the original grant by the transmission provider. FTR's may only be resold to a customer eligible to purchase FTR's from the transmission provider. Seller will report the names of any purchasers of FTR's in its quarterly reports.
7. **Effective Date.** This Rate Schedule is effective on _____, 2000.